CHARTERS OF THE PEACE

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A Commentary on
THE ATLANTIC CHARTER
and
THE DECLARATIONS OF MOSCOW, CAIRO and TEHERAN

by

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LONDON
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1944

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Printed in Great Britain by
The Camelot Press Ltd., London and Southampton

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PREFACE

IN THIS WAR, unlike the last war, the Allies have jointly outlined their peace aims during the war. The Atlantic Charter, originally endorsed only by the spokesmen of Britain and America, has since been formally accepted by all the United Nations; and it has been followed by a series of engagements and declarations on similar lines, made by the principal Allies.

The programme is outlined in very general terms. Mr. Churchill described the Atlantic Charter as "a simple rough-and-ready wartime statement of the goal towards which" the supporting Governments "mean to make their way." But if considered as a whole it is (as this book seeks to show) more substantial and consistent than might be supposed from a cursory reading.

Is this programme one which can be expected to hold the great Alliance to a common course during this war without dangerous insincerity? Can it, if used with imagination and conviction, help to break the enemy's resistance, without too great a danger that the Allies may afterwards be exposed to justifiable charges of breach of faith? Can it well serve as a general guide to the Allies during the peace-making, when, finding their power temporarily irresistible, they may be tempted to abuse their victory?

Such questions must be frankly discussed in this democracy; and such discussion during the war is not unhelpful to the war effort. This book has been written in the hope that it may serve to stimulate and clarify such discussion.

The first chapter summarily records the making of the Atlantic Charter and such events as the Anglo-Soviet Alliance, and the declarations of Moscow, Cairo and Teheran, up till the beginning of 1944. The second chapter emphasises that the entire programme is governed by the idea that there must be "a general international organisation" more adequately empowered than the League of Nations has been "to maintain peace and security."

Then follow seven chapters based on the eight Points of the Charter and the relevant passages from the other Declarations, a note on some of the territorial problems involved in applying the declared principles, and a brief concluding comment.

CHAPTER I

THE CHARTERS OF THE PEACE

The Atlantic Charter

On August 14, 1941, Mr. Churchill and President Roosevelt published the Atlantic Charter, as a joint declaration on behalf of their respective countries.

The name "Atlantic" was due simply to the fact that the Charter was drawn up on board a warship "somewhere in the Atlantic" (actually off the coast of Newfoundland). President Roosevelt has emphasised that it "applied not only to the parts of the world that border the Atlantic but the whole world."

One of the remarkable facts about this document is that the President of the United States signed it, with its frank recognition that "Nazi tyranny" must be destroyed and that the aggressors must be disarmed, before his country was at war with the Axis. In those days, before Pearl Harbour, the United States was a non-belligerent, formally "neutral," but actively sympathetic to the Allied cause. This fact may help to explain some of the vagueness of the Charter's wording. If more precision had been given to certain passages, the President would have encountered at that time much opposition from the isolationist element in Congress and the country. As it was, the Charter received an almost universal welcome from the American public, as from the British. But the Charter, like President Wilson's Fourteen Points, was not submitted to the Senate for endorsement; so that it has, for the United States, the character of a Presidential declaration rather than a treaty engagement. Nor has it been fully debated here in the House of Commons.

Another feature of the Charter is that it is a *joint* declaration, endorsed now by all the United Nations, *during the war*. There was nothing like this, unfortunately, in the First World War. When President Wilson announced his Fourteen Point peace programme in January, 1918, he had not previously consulted any of the Allied Governments, and those Governments never discussed the programme with the United States until the matter was brought to a head in October, 1918, by the German request for an armistice based on the Fourteen Points.

The Charter is in very general terms. It avoids any precision about this or that future frontier such as Wilson included in his Fourteen Points; and such avoidance was surely prudent at that stage of the war. The idea which prompted its authors was (to quote Mr. Churchill) "that, without attempting to draw final and formal peace aims and war aims, it was necessary to give all peoples, and especially the oppressed and conquered peoples, a simple, rough-and-ready, wartime statement of the goal towards which the British Commonwealth and the United States mean to make their way."

On September 24, 1941, the Charter was endorsed by all the European Allies, including the Soviet Union.

In October it was welcomed by representatives of thirty-two nations at the International Labour Organisation's Conference in New York; the Conference promised co-operation to secure application of the Charter's principles.

On December 7, 1941, Japan struck at Pearl Harbour; Germany and Italy followed by declaring war on the United States.

United Nations' Declaration

Then, on January 1, 1942, came the momentous "Declaration by the United Nations," in which twenty-six Governments, including those of the United States, the Soviet Union, China, Britain, and the Dominions (except Eire), prefaced their pledge of alliance during the war by declaring that they subscribed to the "common programme of purposes and principles" embodied in the Charter, and expressing their conviction that "complete victory over their enemies is essential to defend life, liberty, independence and religious freedom, and to preserve human rights and justice in their own lands as well as in other lands, and that they are now engaged in a common struggle against savage and brutal forces seeking to subjugate the world."

Since that time, seven other nations, including Brazil, Mexico, and liberated Ethiopia, have subscribed to the United Nations' Declaration and therewith to the Charter; there are now 34 "United Nations," and with them ten "Associated" Nations.

Later in January, 1942, all the American Republics, meeting at Rio de Janeiro, welcomed the inclusion in the Charter of "principles which constitute a part of the judicial heritage of America."

On January 29, Britain and the Soviet Union made an alliance with Persia, "having in view the principles of the Atlantic Charter."

Mutual Aid Agreement

On February 23, 1942, Britain and the United States, following up the Lend-Lease Act in the United States (which Mr. Churchill well described as "the most unsordid act in history"), concluded a Mutual Aid Agreement about the working of the Lend-Lease system. Article 7 of the Agreement defines the economic aims of the Charter and provides for agreed action to attain those ends, "open to participation by all other countries of like mind." Since February, 1942, the same agreement has been made between the United States and the Soviet Union, China, and many other "like-minded" countries; so that this important definition of economic aims is now very widely accepted.

On the same day, February 23, President Roosevelt, in a broadcast referring to the Charter, summarised his peace programme as follows: "Disarmament of aggressors, self-determination of nations and peoples, and the Four Freedoms—freedom of speech, freedom of religion, freedom from want, and freedom from fear." This was an allusion to the "Four Freedoms" (see p. 86) which were listed by the President in his message to Congress on January 6, 1941, and which he has since referred to as "the Four Freedoms of the Atlantic Charter."

Anglo-Soviet Alliance

On May 26, 1942, Britain and the Soviet Union, in making a Treaty of Alliance for twenty years, declared their intention "to collaborate closely with one another as well as with the other United Nations at the Peace Settlement and during the ensuing period of reconstruction on a basis of the principles enunciated in the Declaration made August 14, 1941, . . ." i.e. the Atlantic Charter. Article 5 of the Treaty underlines this by saying:

> "The high contracting parties, having regard to the interests of security of each of them, agree to work together in close and friendly collaboration after re-establishment of peace for the organisation of security and economic prosperity in Europe.
>
> "They will take into account the interests of the United Nations in these objects and they will act in accordance with the two principles of *not seeking territorial aggrandisement for themselves* and of *non-interference in the internal affairs of other States.*"

The Charter has been referred to in various Government declarations, such as the Joint Declaration of Czechoslovakia, Greece, Poland and Yugoslavia of January 14, 1942, which said that "the aims of our struggle and the outlines of our friendship

were given in the Atlantic Charter, and the Joint Declaration of the 26 United Nations in Washington."

Casablanca

In January, 1943, came the Anglo-American War Council at Casablanca, as a result of which the two Governments agreed that peace could only come through an "unconditional surrender" of Germany, Italy and Japan. This formula was afterwards adopted in the Four Power Declaration of Moscow referred to below.

United Nations Food Conference

In June, 1943, the forty-four United and Associated Nations, at the Hot Springs Food Conference, passed a series of important resolutions on short-term and long-term policy about food and agriculture, and set up a commission to plan a permanent organisation to deal with these subjects.

U.N.R.R.A.

In November the United Nations set up their Administration for Relief and Rehabilitation, and made decisions about relief policy when allied armies enter the allied and enemy countries.

Declarations of Moscow

In November, 1943, the principal Allies made four joint declarations at Moscow. The most important was the Four Power Declaration by Britain, U.S.A., U.S.S.R. and China,[1] in which they jointly recognised "the necessity of establishing at the earliest practicable date *a general international organisation*, based on the principle of sovereign equality of all peace-loving States, and open to membership by all such States, large or small, for the maintenance of international peace and security" (This reinforces the reference in Point VIII of the Charter to "a system of general security.")

The Four Powers declared also that, until such a "system of general security" is established, "they will consult with each other, and, as occasion requires, with other members of the United Nations, with a view to *joint action on behalf of the community of nations.*"

They also declared that "they will confer and co-operate with one another and with other members of the United Nations to bring about a practicable *general agreement with respect to the regulation of armaments in the post-war period.*" And they promise

[1] See Appendix II.

joint action about the surrender and disarmament of the enemy.

Besides this Four Power Delcaration, there were three declarations by three Powers—Britain, U.S.A. and U.S.S.R.—about the independence of Austria, democratic liberties in Italy, and the treatment of persons charged with war crimes.

Declaration of Cairo

On December 1, 1943, Britain, the United States and China, published a joint declaration about the war against Japan. Whilst emphasising that "they covet no gain for themselves and have no thought of territorial expansion" (which accords with Point I of the Atlantic Charter), they declared their resolve that Japan should be expelled from all the "territories which she has taken by violence and greed," ever since her series of modern conquests began in 1894; and that "all the territories which Japan has stolen from the Chinese, such as Manchuria, Formosa, and the Pescadores, shall be restored to the Republic of China."[1]

Declaration of Teheran

On December 6, the joint Declarations of Teheran were published. Britain, the United States and U.S.S.R., after recording their full agreement about war measures said that:

> "As to peace, we are sure that our concord will make it an enduring peace. We recognise fully the supreme responsibility resting upon us and all the United Nations to make a peace which will demand the goodwill of the overwhelming masses of the peoples of the world and banish the scourge and terror of war for many generations.
>
> ". . . We have surveyed the problems of the future. We shall seek the co-operation and the active participation of all nations, large and small, whose people in heart and mind are dedicated, as are our own peoples, to the elimination of tyranny and slavery, oppression and intolerance. *We will welcome them as they may choose to come into a world family of democratic nations.*"

Furthermore, in a Four-Power Declaration which included Persia (Iran), they said that—

> "They count upon the participation of Iran, together with all other peace-loving nations, in the establishment of inter-

[1] It has been reported from Australia that the Australian Government was not consulted about this policy, though it affects the balance of power in the Pacific. The policy has been criticised in Australia as being too piecemeal a treatment of the problems. See the Canberra Agreement, below.

national peace, security, and prosperity after the war *in accordance with the principles of the Atlantic Charter, to which all four Governments have continued to subscribe.*"

Finally, in the *Canberra Agreement of January, 1944,* the Australian and New Zealand Governments jointly declared that in their view the peace settlement should deal with *all* the enemies of the Allies after all hostilities are ended; they want no definitive settlement applying to Europe only while the Pacific war continues. The two Governments also declared that no change in the sovereignty or control of any of the Pacific islands (including those north of the Equator) ought to be made except by agreement to which Australia and New Zealand are parties. As for the South and South-western Pacific, they envisaged the creation of a regional security scheme, supported by the various nations concerned, within the world's "system of general security." The two Governments called for the creation of a world airways system for the main trunk air routes, to be owned and operated by a World Air Authority.

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It will have been evident from this summary that the Atlantic Charter has received an extraordinary amount of support, and that it is bound up with the declarations which have followed it. Never in any previous war has a wide alliance been committed during a war to so substantial and so widely agreed a programme.

Now, what does that programme amount to? Should it be regarded as an appropriate aim for the United Nations? And what kind of policy would be required to give effect to it?

CHAPTER II

POWER TO PROTECT THE PEACE

BEFORE DISCUSSING THE Charter's eight points, we must consider one major question raised by the eighth point—the question of "general security." For this really conditions the entire programme.

"GENERAL SECURITY"

Point VIII looks to the establishment of a "system of general security"; and the four-Power Declaration of Moscow emphasises the urgent need for a "general international organisation . . . for the maintenance of international peace and security"—an organisation open to membership by all "peace-loving" States, large or small. Pending the inauguration of such a "system of general security," the "Big Four" Powers are committed in principle to the use of their strength collectively "on behalf of the community of nations."

IS IT A SOUND AIM?

Is this policy of collective security against aggression a desirable and practicable aim? If our answer is "No," then we shall find that the bottom has been knocked out of the entire programme. If there is to be no pooling of power, to protect the peace, each project, political and economic, will have to be judged from a standpoint appropriate to a world of international anarchy—a world in which each nation has to rely for its defence on nothing but its own strength and on exclusive alliances. If the nations cannot look to organised society for protection against lawless violence, then each will be driven to try to be stronger than any prospective opponent, and any powerful aggressor will be able to break his victims one by one—as Hitler did.

Has not the case for collective security been proven, terribly, by the events that led up to this war? The war came not because the anti-Axis countries lacked ample power to prevent aggression, during more than a decade after the last war; it came largely because those countries shirked committing themselves unequivocally, whilst the going was good, to the policy of "steady and collective resistance to all acts of unprovoked aggression."

"Each for himself and Devil take the hindmost" was their motto, and, so the Devil was free to assail the lot.

There is no alternative way of assuring peace, and a fair deal for the weaker communities. Absolute pacifism and one-sided disarmament cannot meet the need; and the world cannot afford to wait until there has been a "change of heart" in every selfish individual. Isolationism is a bankrupt policy, discredited at the moment but by no means dead. And no one nation can now do for the globe what Rome once did in the Western world; no one Power, however benevolent its intention, nor even three Powers, will be suffered to impose dominion over all other nations. Only the effective pooling of power, and the control of that power by a representative international authority, can meet the need.

Requirements for "a System of General Security"

(*a*) *An International Authority.* There must be some kind of "general international organisation." That is fundamental. No series of conferences, no amount of unrelated organs of international collaboration, can take the place of a permanent political authority, widely representative, and committed to definite principles of peace-keeping and fellowship. Since a world-wide federal government of all peoples is out of the question for the present, the authority will have to be some kind of confederacy of nation-States. Its membership should be open on a footing of equality of status to all self-governing States which share its essential purposes. That is in line with the Moscow Declaration which said that membership of the general international organisation should be "based on the principle of the sovereign equality of all peace-loving States, and open to membership by all such States, large or small." It must be recognised however that if the States members were to retain unlimited rights and powers to injure the rights and liberties of other States, such an application of the doctrine of the "absolute sovereignty" of nation-States would stultify the whole programme of the Charter. The organisation must build up reliable means for the settlement of international disputes by pacific means instead of war; and membership must afford benefits so substantial, through constructive services of peace as well as through guarantees of security, that no community can afford to forfeit them.

(*b*) *A Fair Start for the Peace.* Secondly, the peace must have a fair start.

The peace settlement will have to deal with some territorial problems of appalling complexity and difficulty, especially in Eastern Europe. It will be a wonderful achievement if these

questions can at last be settled on such terms and under such protection that all the peoples concerned will come to prefer to maintain the peace rather than to challenge it. If, in their task of righting flagrant wrongs, the United Nations create serious new wrongs, the task of peace-keeping may presently become unmanageable, since forces making for explosion will be generated and the forces necessary for protecting the settlement will tend to disintegrate owing to the sense that injustice has been done. Those who frame the terms of surrender for Germany and her allies, and those who plan the long-term peace settlement, will have to estimate, not simply what conditions can be enforced upon a helpless enemy during the years of military occupation of his territory, but also what terms are likely to be maintainable after such occupation has ended.

A further requisite is that there should be an orderly transition from war economy to peace economy, including a collective programme of relief and rehabilitation on a huge scale, in a generous temper and during a considerable time. If there were no such action, the foundations of peace would again be undermined by war's legacy of economic chaos and social disaster, as they were after 1918. This need was recognised in the Moscow Declaration; and the U.N.R.R.A. Conference, which met just after the Moscow one, put in hand some of the most urgently needed preparations.

(*c*) *A Shield of Power.* There remains the crucial question: Where is the necessary shield of power to come from, and how is it to be controlled? The peace will be insecure unless it is protected by a shield of power—power ample in strength, reliable in application, and exercised responsibly and impartially on behalf of the community of nations. And the burden of contributing that power must be equitably shared.

The power must be *preponderant*, ample for the defeat of aggression from whatever quarter. If the power is not adequate to the commitment, then the policy of collective prevention of aggression will sooner or later be challenged as a bluff and proved bankrupt.

The power must be *sure*. Unless there is certitude that adequate power can and will be brought to bear in good time against any aggression, confidence will not grow strong in quarters where it has been weak and the nations will not accept regulation and reduction of their armaments.

The power must be responsibly *controlled* by a representative international authority, so as to ensure that it is used in the best interests of "the community of nations," and not as a mere instrument of selfish policy by a few dominant nations.

Lastly, the burden imposed upon any one section of the international community must be restricted within tolerable limits, by being equitably *shared*. No people will be willing to shoulder quite unlimited risks in respect of quite unforeseeable contingencies.

Three Chief Guarantors?

Where then is this preponderant power to come from? Where is the most reliable shield of peace to be found?

There is no doubt where the bulk of the world's coercive power will lie, at least during the first decades after this war. Only a few national units command resources sufficient for the waging of total war under modern conditions. These few certainly include the United States and Soviet Union. They include Britain also, as long as the effective support of the other partners of the British Commonwealth is freely given, and as long as Britain's sea communications can be kept open. They are coming to include also China, with her vast potential strength and resources.

Evidently, then, during the transitional period before a truly "general" system of security can be established, the nucleus of the power required can only be supplied by these four countries —indeed, only by the first three of them.

We need not here try to forecast what form that future system of general security will take. Perhaps it will be found possible to establish an organically international air force, directly responsible to no national government, but only to the international authority, and operating from bases owned by that authority. Or perhaps the international authority will have within it a "security group" consisting of States such as Britain, U.S.A. and U.S.S.R. which accept special responsibilities for enforcing sanctions against aggression. Whatever policy is chosen, the communities which can command specially great resources will have to recognise special responsibilities, and to accept definite commitments, if the peace is to be adequately protected.

That is one crucial question ahead of us. And coupled with this there is the question, not less important—will these communities accept democratic safeguards to ensure that the use of coercive power shall only be an authorised use, on behalf of the community of nations?

(*a*) *Will the Great Powers accept Responsibilities for Collective Defence?* No one can yet forecast with any certainty whether the Great Powers will accept these responsibilities: but the prospects

for such acceptance have never been so favourable as they are now. The Governments of those four Great Powers have jointly affirmed at Moscow the urgent need for "a general international organisation . . . for the maintenance of peace and security," and have committed themselves to consultation with a view to "joint action on behalf of the community of nations" until that general organisation can be formed. In 1920, after a policy of collective security had been supported by President Wilson and embodied in the League's Covenant, the Senate of the United States failed by seven votes to provide the requisite two-thirds majority for acceptance of the Covenant's commitments. To-day, though we cannot foresee just how strong the American reaction towards isolation may presently become, we can derive some assurance from the fact that the Senate has, during the war, been quick to endorse and adopt as its own the Moscow formula. This time, the idea that America should, in her own interest, take sides against aggression, by definite commitments, has widespread support from Republicans as well as from Democrats.[1] As for Russia, in 1919 she was treated as a dangerous outsider; to-day, the successor of Lenin speaks as a victorious leader of the Allied cause, and "Moscow" is the label on the Four Powers' Declaration. As for Britain, whatever we may think of some pages in the Prime Minister's record, we may recall that Mr. Churchill was, in the years immediately preceding this war, an outstanding champion of the policy of collective security and a clear-sighted opponent of the Munich policy; and whatever we may think of Mr. Eden's record as Foreign Secretary in June, 1936, when Abyssinia was abandoned, we may recall that in 1938 he resigned from the Foreign Office rather than stand for any more payments of blackmail to gangsters at the expense of collective security. Events have justified the judgment of both men in this respect. And now the very existence of the vast alliance of the United Nations is evidence of the need for solidarity against aggression, and of the truth of Litvinoff's saying that "peace is indivisible."

Let us assume then that there is a good prospect that the Governments and peoples of the United States, Soviet Union, Britain and China will accept and maintain special respons-

[1] Governor Thomas Dewey, who is expected to be nominated as Republican candidate in the coming Presidential Election, has declared (April 27, 1944) that there is now overwhelming agreement in the United States on three aims: (1) to carry on the war to total victory; (2) "to organise in co-operation with other nations *a structure of peace backed by adequate force to prevent future wars*"; (3) to establish and maintain in the U.S. relations with other nations on conditions calculated to promote world-wide economic stability.

ibilities for defence, commensurate with their exceptional power.

(*b*) *Will the Great Powers accept Democratic Control of Power?* Will these Powers also accept adequate democratic safeguards against abuse of their power?

That is a fateful question, and a difficult one. Manifestly, these Powers have now, during the critical latter stages of the war, to take military decisions, and some political decisions, which will profoundly affect the fate of all other nations. They cannot reasonably be expected to submit all these decisions for endorsement beforehand to all the Allied Governments. To a considerable extent, their leadership in wartime has to be more dictatorial than democratic. But if the Great Powers show themselves insensitive to the need for combining leadership with the democratic principle; if these Powers ignore the anxiety of other States, "large or small," lest their interests should be prejudiced by political decisions about which they have not been consulted; then resentments and fears will presently sap the confidence that is necessary to hold the nascent commonwealth of nations together.

The Big Three can control food and credits during the relief period; they will command invincible bomber squadrons; but they cannot by themselves provide a durable substitute for that strength which the genuine assent of a wide community of free peoples can give. Coercive power is an essential element in the structure of international society, but it is not the only essential: wide assent is necessary also. Thus, even if resurgent France does not again become a "Great Power" in the old military sense, the French contribution will be indispensable to all Europe. The peoples of Britain and France will be bound together by specially close ties of common interest (though probably not in the near future by a formal bond of union such as Mr. Churchill proposed in France's darkest hours in 1940); and the smaller Powers of Europe will very likely find in liberated France leaders far less insular than Clemenceau or Poincaré and far better able than Briand to promote a "United States of Europe."

Many another national community—democratic Czechoslovakia, for instance, and the democratic Scandinavian peoples—will not be silent or politically impotent. As for Germany, no defeat of Hitler's disastrous ambitions, no occupation however prolonged, no disarmament however drastic, will or should prevent the German people, with their skill and resources, from being a major factor in the life of Europe and the world; the European group of States, however organised, cannot hope to achieve anything like full health, politically or economically, unless and

until the will of the great bulk of the German people is harnessed to a cause which is also Europe's.

It will not be easy to establish confidence that the power of the Big Three or Four will be used responsibly enough. It will not be surprising if the decisions announced in the Declaration of Teheran cause some anxiety, as well as much satisfaction, amongst the Allied and Associated Governments. But we may note, as a beginning, that the Four-Power Declaration of Moscow recognised the principle of "joint action . . . *on behalf of the community of nations*" pending the inauguration of a system of general security.[1] It will be a triumph of statesmanship if the Big Four manage to make their leadership effective whilst establishing confidence that the wishes of the smaller nations will be duly respected.

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To sum up. A "system of general security" is the foundation without which the chartered peace cannot stand. Such a system can only be surely built if, especially during the world's convalescence after the war, the principal Allied Powers will contribute their strength collectively for the protection of the community of nations against violence and injustice. And this community can only be built upon the solid foundation of popular support if the Big Four are scrupulous not to let democratic leadership degenerate into dictatorship.

[1] We may note, too, that the constitution of U.N.R.R.A. empowers the U.N.R.R.A. Council, on which all the States are represented equally, to make its decisions by majority vote.

CHAPTER III

NO AGGRANDISEMENT

Point I. "Their countries seek no aggrandisement, territorial or other."

ALL THE UNITED NATIONS, in endorsing the Charter, have subscribed to this declaration of principle. In addition, Britain and the Soviet Union have reaffirmed it in their Treaty of Alliance, and Britain, America, and China have affirmed, in the Cairo Declaration, that "they covet no gain for themselves and have no thought of territorial expansion."

A SOUND PRINCIPLE

The principle is a sound one, if reasonably interpreted; together with Point II ("They desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned"), it is appropriately placed at the beginning of these Charters of the Peace. For if we are to achieve this time that durable peace which was lost after the first world war, we must not only drive the enemy out of all the lands he has invaded but must also discredit war as a means of changing the map. And this we can only hope to do if we demonstrate, both by our victory and by our peace-making, that the seizure of territory "by violence and greed" (to quote the Cairo Declaration) will not be suffered to succeed, and that the principle of "no aggrandisement" which we enforce against our enemies is one which we faithfully apply to ourselves.

ITS LIMITS

But the "no aggrandisement" policy does not stand alone; it must be judged together with the parallel declarations of other aims and principles in the Charter.

We want a just peace. Elementary justice would be lacking if, in ruling out "aggrandisement," the peace were to ignore restitution. That is recognised very plainly in the Cairo Declaration. We will discuss later what would be the proper limits of restitution, "territorial or other."

We want a stable peace; and for that purpose we need "a system of general security." But no such system, proven and

trusted, yet exists. And so, as was recognised in the preceding chapter, we must expect that some territorial changes will be demanded by certain United Nations, when victorious, not as restitution but as a reinforcement of national security. It will be argued that, since Germany has again and again been a peace-breaker, such territorial changes at Germany's expense will be justified as an insurance not only for the security of small and neighbouring nations, but also for "general security" against aggression.[1]

That line of argument may be justified, in the circumstances, in an exceptional case (such as the Finnish territory at the gates of Leningrad); but its general application would be fatal to the whole conception of an equitable peace to which Britain and America subscribed in the anxious days of 1941. New temptations arise when victory draws near; and we shall probably hear it argued that dismemberment of the Reich, including large-scale annexations of territory which is indisputably Germany's, would be a "realistic" contribution to "general security." In the writer's view, that would not be the way to durable peace, and certainly it would not be the way of the Charter..

Its Application

The self-denying ordinance in Point I, like that in Point II, applies of course to enemy countries as well as to others. To suggest the contrary would be ridiculous and unworthy. When Mr. Churchill signed these declarations, he was, in effect, assuring the world—especially the American isolationists—that Britain would not play, or encourage others to play, the old imperialist game of extending national dominion, "territorial or other." It was an assurance which spokesmen of Britain and the United States could give more easily—to put it mildly—those spokesmen of other communities whose resources and responsibilities are less colossal. But it was an assurance worth giving, for its own sake and as a lead to others. What would have been its worth if Mr. Churchill had merely said that Britain would be good enough to refrain from grabbing bits of the territory that she was fighting to liberate from "Nazi tyranny"? The Ministry of Information sent abroad many thousands of leaflets, giving the

[1] Since this was written, Mr. Cordell Hull has said in a broadcast (April 8, 1944), that the Atlantic Charter "is the expression of fundamental principles, not a code of law from which detailed answers to every question can be distilled. It charts the course on which we are embarked and shall continue. That course includes the prevention of aggression and the establishment of world security; it certainly does not exclude any step—including those relating to enemy States—necessary to achieve those objectives."

text of the Charter, without any qualifying comments. Would this have been honest propaganda if the Government's intentions had really been to exclude the enemy countries from the applications of the principles of Points I and II? Of course, these principles were meant to apply to all countries, including those with which we are at war.

"Unconditional Surrender"

Can it fairly be said, however, that the assurances given in the Charter have since been invalidated by the adoption of the policy of "unconditional surrender"?

Recall, firstly, what the Charter was meant to be. It was not a bargain struck with Hitler or anyone else; its preamble explains that it was meant "to make known certain common principles in the national policies of their respective countries on which they base their hopes for a better future for the world."

Secondly, recall what led up to the "unconditional surrender" formula. On October 3 and 12, 1918, the German Chancellor, Prince Max of Baden, under pressure from the military command, asked President Wilson to arrange an armistice on the basis of his Fourteen Points. Wilson then obtained the Allies' agreement to this, subject to two reservations; and on November 5, 1918, he replied to the Germans that the Allied Governments were willing, subject to these reservations, "to make peace with the Government of Germany on the terms of peace laid down in the President's address to Congress of January, 1918" (the Fourteen Points speech) "and the principles of settlement enunciated in his subsequent addresses."

The armistice was, accordingly, concluded six days later, with the Fourteen Points programme as the formally-accepted basis of the peace settlement. Afterwards, the Germans complained that the agreed basis of the peace had been violated by various provisions of the Versailles Treaty. In the writer's view, their complaint was in some important respects well-founded, e.g. as regards the summary treatment of all Germany's colonies, and the wide interpretation of the basis of claims for reparations.

The object of the "unconditional surrender" formula was, presumably, to make clear in advance that no such bargain will be made with a government manifestly faithless, such as Hitler's. The policy does not apply to such a government as Finland's; for there the Soviet Government has been discussing specific terms of peace with the authorities in power at Helsinki. In Italy's case, too, the policy seems to have been applied only nominally, after Mussolini's fall. But it does apply to the entire Nazi régime.

Mr. Churchill said on February 22, 1944, that "the term 'unconditional surrender' does not mean that the German people will be enslaved or destroyed. It means, however, that the Allies will not be bound to them at the moment of surrender by any pact or obligation. There will be, for instance, no question of the Atlantic Charter applying to Germany as a matter of right and barring territorial transferences or adjustments in enemy countries. Unconditional surrender means that the victors have a free hand. . . . If we are bound, we are bound by our own consciences."

Since Mr. Churchill said that, both he and Mr. Eden have made plain in Parliament that the Government regards the "unconditional surrender" policy as consistent with continued adhesion to the Atlantic Charter. If they had been regarded as incompatible, the Cairo Declaration could hardly have reaffirmed the "no aggrandisement" policy alongside of "unconditional surrender."

The conclusion, surely, is that we ought still to regard the Charter, including Points I and II, as an assurance to the world, a self-imposed obligation of right; "no aggrandisement" should still guide the Allies as one of those principles "on which they base their hopes for a better future for the world." But the Charter is not a treaty; not a deal made with any particular government—least of all with the treacherous gangsters now in control of Germany. The "unconditional surrender" policy need not of itself invalidate the Charter.

"Compensation"

There remains, however, the grave question whether the principles of Points I and II of the Charter have in fact been thrown over by a decision in favour of the annexation of large sections of enemy territory.

Referring to the meeting at Teheran (which came immediately after the Cairo meeting), Mr. Churchill said on February 22, 1944: "I cannot feel that the Russian demand for reassurance about her western frontiers goes beyond the limits of what is reasonable and just. Marshal Stalin and I also spoke and agreed upon the need for Poland to obtain compensation at the expense of Germany in the North and West." In the writer's view this does imply a major departure from the principles of "no aggrandisement" and of no transference of territory without regard to the wishes of the peoples concerned. The matter is further discussed in the final chapter, dealing with territorial problems; it is there contended that, if the annexations contem-

plated are on anything like the scale indicated by various unofficial reports in the British and American Press, they will gravely prejudice the achievement of a just and durable peace. The wrongs committed by the enemy, especially the German and Japanese enemy, are unforgettable and atrocious beyond all expression. But not even the memory of such wrongs should blind the Allies to the fact that, if they show themselves unprincipled in victory, they will discredit their own cause; if they were to arm the Germans with a nation-wide resolve to undo what every German would regard as an intolerable wrong, they would be preventing the lasting achievement of their main purpose—a peace so just and so protected that all peoples will come to prefer to maintain it.

Restitution of Territory

Apart from these few, but very controversial, territorial changes at the enemy's expense, there will be many territorial changes which are pefectly clear-cut and indisputably just—changes involving simple restitution of territory which the enemy has occupied or annexed. It is idle, indeed impertinent, for the theorist to say that "frontiers do not matter." Having lived under alien and tyrannous rule, the peoples of the invaded lands demand with passionate urgency and with the fullest justification simple liberation. No plebiscite is called for in, say, Norway. All that the Norwegians ask is that the invader should get off their backs, so that Norwegian authority can be restored over every yard of Norway's lawful territory; that and no more. Nor would a plebiscite be useful in Alsace-Lorraine, where the Nazis have been at pains to expel the former French population and to import new German "colonists."

But not all questions of restitution will be so simple. How far back into history should this principle be carried? This problem is discussed in the last chapter of the book.

Restitution of Property

There remain the questions of restitution of property, and of reparation for damage done. The enemy-occupied countries cannot be liberated solely by turning out the enemy's forces and agents; besides doing that, the United Nations have to break the stranglehold which Germany has obtained on a very great part of the industrial resources of Europe, and to recover, so far as possible, the property that the enemy has taken, and to replace what the enemy has destroyed.

(*a*) The Nazis have achieved, during the occupation, an

extraordinary extension of German control over Europe's heavy industry and banking system. The Hermann Goering combine, for instance, has welded most of the continent's iron and steel industry into a single mighty instrument for Germany's national policy. Europe will not be safe or free so long as that tremendous concentration of power remains in the control of any one country. Nor will the mere breaking of the German grip suffice: a British-American cartel of producers, or a Franco-German one, would still be dangerously unrepresentative and uncontrolled. Here is one of the keys of power which the international community will need to master, so that the interests of the consumer, in a world at peace, may at last have "collective security."

(*b*) As for the property taken by the enemy, it certainly amounts to a colossal total, though any exact computation is difficult since it involves so many disputable factors. The total includes goods used for military purposes or taken to Germany, without payment; occupation costs and other charges imposed on the countries occupied by the enemy; and goods exported to Germany which have been paid for only in "blocked" marks, i.e. marks usable only at the discretion of the German authorities and probably only after the war. "Never before," said Governor Lehman (the American who is now head of U.N.R.R.A.) "has the world witnessed so ruthless a spoliation of so many in so short a time."

(*c*) Besides the claims for liquidation of enemy controls, and for restitution of property taken by the enemy, there will be claims for repair of property wantonly destroyed by the enemy's aggression.

If all these claims are added together, the total, just though it be, will enormously exceed the amount that it will be practicable or expedient to obtain from the Axis Powers, whether in money or goods or services. The bitter truth is that the world cannot hope to obtain from this generation of Germans, or from their partners in outrage, a reparation nearly equal to the material loss —let alone all the other loss—which they have inflicted. That is not sentimentalism: it is a brutal economic truth.

This too must be faced. Again, as in 1919, the victors will be faced with a choice between a policy of trying to keep the Germans crushed and beggared, permanently—in which case there will of course be no substantial reparation—and a policy of allowing the Germans to recover prosperity and opportunity, subject to heavy but not crushing charges for reparation and restitution, and subject to the rigidly enforced safeguards of a protected peace. Mr. Churchill emphasised, when he brought

home the Charter, that the British Government means this time to stand firmly for the second policy; and this choice, a realistic choice, was reaffirmed by Mr. Eden on February 23, 1944.

Germany's Means of Payment

Theoretically, there are three ways in which Germany could make restitution and reparation. Firstly, she might make monetary transfers; but of course she could only maintain this if she could sell enough goods and services abroad to be able to buy the requisite amount of foreign currency. The victors are not likely, for reasons of expediency, to make the bulk of their claims in this form. Secondly, she could, and of course should, restore stolen property. But much of what was taken will have been consumed; and many of the more durable articles, such as machinery, may be impossible to identify in detail. Thirdly, she could make payments in kind, by exporting manufactured goods and raw materials free of cost to the receiving country. This is an equitable method, and a practicable one within limits. One limit is set by the willingness of Germany's creditors to receive such goods from Germany. After the last war, France, for instance, would not accept nearly as much reparation in kind from Germany as she was entitled to. But at least one of the creditor countries, Russia, being unencumbered by a capitalist economy and having a vast deficiency of goods to be made up as quickly as possible, is likely to want German products very much. The other limit will be set by Germany's own capacity to produce. Industrial plant and workers' homes in Germany will have been destroyed to so vast an extent by fire and bombs, and Germany's economy will have been so wrecked by more than a decade of Nazi finance, that some time may have to be allowed before the Germans can be expected to produce for export large amounts of those goods which her creditors will need most. Lastly, Germany could export labour. The Russians will no doubt demand that very many German workers shall be sent to rebuild towns and villages which the German armies wantonly destroyed. Our Polish and other Allies may put forward similar claims. There are obvious dangers in this, and after Germany's brutal treatment of foreign workers, especially Russians, who have been forced to work in Germany during the war, the temptations to mix revenge with reparation will be very strong.; but it is fair in principle that German aid of this kind should be given to the victims of German violence, and that such an expenditure of German man-power should for a time have precedence over all but the most essential claims at home.

Territorial Revision

We have referred to changes of the map on the score of restitution, and to changes urgently demanded on the score of strategic needs. There will also be demands, during the peace settlement and afterwards, for territorial revision on other grounds than these; and some of these claims, though too explosive to be permanently ignored, will be too complex to be settled justly in the hurry of a peace conference. In short, there will always be problems of "peaceful change," and some of them will be territorial.

If the United Nations are to achieve their aim of discrediting violence as an arbiter in international relations, they must not only annul the conquests of to-day's aggressors, but must also prove by action that they mean to make a reality of the judgment of reason in such cases of revision. Their armed force is now an indispensable means of creating the conditions in which justice can be done, and the expulsion of Axis forces from all the invaded lands is a proper prerequisite; but no victor's sword is an appropriate instrument for disentangling intricate problems of political adjustment, such as exist in Transylvania or certain points on the borders of Czecho-Slovakia, and no men hot from victory are likely to be in fit condition for cool assessment of such problems. What is needed in such cases is not the summary verdict of a dictated peace treaty, but a dispassionate examination and judgment through a properly developed system of peaceful change—a thing which the League of Nations never achieved.

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Conclusion

To sum up. The principle of "no aggrandisement" is sound so far as it goes; it is the proper complement to the United Nations' policy which aims at discrediting all lawless violence as an arbiter in international relations.

The principle does not exclude just restitution, "territorial or other."

In present conditions, when no trusted "system of general security" exists, it will probably be necessary, unfortunately, to allow some deviations, in special cases, from strict application of the principle, so as to allow for the strengthening of certain strategically vulnerable national frontiers. But the perennial struggle by rival nations for national control of strategic key-points has been a symptom of international anarchy; and in proportion as the future international organisation succeeds in

acquiring effective control of certain keys of power, the old strategic anxieties will abate and will cease to cut so dangerously athwart the principles of a liberal charter and of a co-operative commonwealth.

If large-scale departures from the principles of Points I and II of the Charter are embodied in the peace terms, on such a plea as "compensation," then—let us be frank about it—the old order will have won that kind of triumph which, however gratifying at the moment to those who have suffered intolerable wrongs, will presently be cursed for having sapped the foundations of a durable peace.

CHAPTER IV

SELF-DETERMINATION AND ITS LIMITS

Point II. "They desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned."

HERE AGAIN, AS IN Point I, the broad principle is sound. But if the principle were applied without qualification, universally, the result would not be justice or security; and here, too, the aim cannot be realised except within the framework of a "system of general security."

The Right of Self-determination

Note, first, that the statement is negative in form, not positive. The authors of the Charter do not say that every community which claims to be a "nation" should be free to constitute itself as a self-governing sovereign State.[1] If that principle were literally applied, some parts of Europe where national stocks are much mixed (e.g. in Transylvania) would be splintered into fragments impossible to govern. What the Charter does say in effect is that the signatories do not intend lightly to redraw the map, parcelling out responsibility for government as if it were so much loot and disregarding the wishes of the peoples concerned. That is a proper application of democratic principle, in a field in which the British Commonwealth, the United States, and the Soviet Union have all made honourable contributions. And it is a realistic policy, since it takes into account that passionate desire of national communities for independent nationhood which is one of the dominant forces in the world to-day, together with the passion for peace. We should be blind indeed if we ignored that force. Here in Britain, having experienced national unity and independence for so long, we are apt to take nationhood for granted; but in Italy or Germany such nationhood is comparatively new; in Czechoslovakia or Poland the fire of nationalism has not been extinguished by many generations of oppressive alien rule; in

[1] The Charter is in this respect more cautious than President Wilson, who said in his Fourteen Points speech in January, 1918, that the main aim was to make the world "safe for every peace-loving nation which, like our own, wishes to live its own life, determine its own institutions, be assured of justice and fair dealings by the other peoples of the world, as against force and selfish aggression."

India, China, Korea and elsewhere nationalism is working a transformation which makes impossible the continuance of foreign domination or undesired tutelage. And the prodigious sacrifices that have been, and will be made, by all the occupied countries of Europe to shake off the foreign rule of German and Italian invaders are prompted not only by loathing of the enemy's brutality and tyranny, but also by the craving for freedom—freedom to create national institutions and to determine national ways of life.

To say this is not to say that any nation-State may claim absolute freedom to behave as it chooses towards other States or towards individuals. Of course, true freedom cannot exist unless the freedom of each is kept within such bounds that the essential freedom of others is not injured. The nations can only achieve peaceful "order under law" if they will renounce national rights and powers which are incompatible with such an order.

The Protection of Self-determination

Assuming, then, that the principle of Point II is sound, how is it to be applied? It can only be applied if there exists a powerful and impartial international authority, empowered to direct and protect its application.

Which communities are to be entitled to exercise the freedom of choice referred to? To answer that initial question may seem, at first sight, to be simple, but in reality it may involve complex political and other problems, as in Austria's case.

Who is to ensure that those who are recognised as being entitled to choose are in fact able to register their choice? That will be no small problem after a war in which millions of people have been brutally deported to distant lands, or forced to go to work in Germany. Very many who should be there to vote will have been killed; many of the survivors will only be able to register their wishes if an international organisation helps them to return home; and many of those who are now settled in lands which Hitler meant to hold will be "colonists" who have been planted there for political reasons and who should be sent back to the Reich.

Again, who is to ensure that those who can register their choice can do so "freely"? We have seen what farcical results were obtained by plebiscites organised under Nazi menace, such as the one in Austria in 1938.[1] And, it is no easy matter, when

[1] There are grounds for believing that the votes taken in the Baltic States in 1940, under pressure from the Soviet Union, were far from representing accurately "the freely expressed wishes of the peoples concerned."

passions are high and when some Great Power can bring strong pressure to bear, to secure even so much freedom of voting as there was in the plebiscite held under League of Nations' supervision in the Saar in 1934. Evidently the promise implied in Point II of the Charter can only be fulfilled if those who register their choice are protected against coercion and intimidation during the process, and protected—so far as possible—against victimisation afterwards. For that purpose, an impartial guardian is necessary.

Lastly, who is to provide sufficient security against armed aggression or economic strangulation? Unless there is such security, offers of "liberation" or "freedom of choice" may be simply a mockery or a menace for the smaller countries of Europe.

Consider, for instance, the position of Austria and her neighbours. One of the declarations of Moscow (November, 1943) says that Britain, the U.S.A. and Soviet Union "have agreed that Austria . . . shall be liberated from German domination." The three Powers "regard the annexation" by Germany "as null and void"; and they declare their "wish to see re-established a free and independent Austria, and thereby to open the way for the Austrian people themselves, as well as those neighbouring States which will be faced with similar problems to find that political and economic security which is the only basis for lasting peace."

If the Austrians, "liberated from German domination," were genuinely free to choose their territorial allegiance, it is most unlikely that more than a small minority would now vote for union with Germany. But the Austrians would not have genuine freedom of choice unless there were an alternative to union with Germany which offered them a fair chance of economic well-being, and of preserving whatever is valuable in nationhood. If the Great Powers want Austria to be "free and independent," they must help her to achieve that "political and economic security which is the only basis for lasting peace." If Austria were to find her trade shut out from neighbouring States by high tariff walls; if each of the Danubian countries were to go on trying to make itself a self-contained economic unit (as happened between the wars); then Austria might be impelled to fall back on the policy of *Anschluss*—union with Germany. And that would create a grave defensive problem for Austria's neighbours, especially Czechoslovakia, if they have to fear a resurgence of German aggression.

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Thus once more we are forced to the conclusion that an international authority, at once powerful and impartial, is indispensable if the policy of the Charter is to be made effective. If freedom for the smaller countries is not to mean simply freedom to get murdered, those countries must have collective protection against armed aggression and economic suffocation.

CHAPTER V

SELF-GOVERNMENT AND ITS LIMITS

Point III. "*They respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them.*"

(1) "FORM OF GOVERNMENT"

CONSIDER FIRST THE ASSURANCE about freedom of choice of "form of government."

Here, as in Points I and II, an important truth is stated; but again, qualification is necessary.

We in this country insist upon freedom to choose our "form of government"; and that desire is shared, of course, by other peoples. There is nothing amiss with this desired freedom, provided that, like other kinds of freedom, it is kept within such bounds that the freedom of others is respected.

It is right, too, for the United Nations to make plain that they will not presume to prescribe any uniform pattern of government for all the world's very diverse national communities. The democratic prescription which suits Britain would be quite inappropriate to a community of a different character or stage of development. If the reader is a Socialist, he will agree that monopoly capitalism generates forces which are most dangerous to international peace and fatal to the full growth of political and economic democracy; but he may also recognise (as Stalin does), that a State with a fully socialist economy, such as the Soviet Union, can collaborate and live in peace with nations whose economy is partly Socialist but still largely capitalist, such as Britain.

It was right, then, to affirm this principle, and to apply it to "all peoples."

But the assurance cannot be unqualified, as the Charter itself recognises. For the United Nations are not indifferent or neutral towards forms of government which imperil peace, or destroy the essential freedoms of mankind. The Charter itself implies that they have taken sides unequivocally against tyranny, as well as against aggression, for Point VI begins with the words, "After the final destruction of Nazi tyranny." (It has been

officially explained that this ban is meant to apply not only to Nazi tyranny, but to similar régimes in Italy and Japan). Thus in effect the United Nations may say to the Axis peoples and to Franco's Spain: "We recognise that, after the war and the occupation, you will have just such rights as we claim for ourselves to be masters in our own house; it will be for you, as for us, to choose the form of government which is best suited to the people in question. But we warn you that we, the United Nations, representing the great bulk of the human race, have been moved by this Second World War to a deeper recognition that there are certain laws of life, certain commandments of peace and justice, which no nation can ignore without peril to itself and to all others. We remind you that aggression is now branded as a crime against the entire community of nations; and the commonwealth of nations which we are building will assuredly have both the resolution and the power to defeat aggression wherever and whenever it is committed. We notify you that this commonwealth means to work out methods of securing 'the fullest collaboration between all nations in the economic field,' and will develop new services, new powers (such as world airways and a World Clearing Union). Those who cut themselves off from the advantages of commonwealth membership will forfeit much. And we give notice that we stand for certain principles of freedom for the individual which we shall seek to extend 'everywhere in the world.'[1] It is with these qualifications that we recognise 'the right of all peoples'—including your people—'to choose the form of government under which they will live.' "

(2) Sovereign Rights

We come now to the sentence calling for restoration of "sovereign rights . . . to those who have been forcibly deprived of them."

The wording expresses an important truth, but would be dangerous if it stood by itself, without qualification. The countries which have been subjugated by the Axis Powers desire, first and foremost, liberation from the invader; and we should be poor democrats indeed if we did not back this demand with all our might.

But, as was emphasised above, mere liberation will not suffice, if the liberated peoples are to preserve what is valuable in nation-

[1] *Vide* the Declaration of Teheran, about "a family of democratic nations," and the Declaration of Moscow about the destruction of Fascism and the establishment of "Governmental and other institutions based upon democratic principles."

hood, they must have the protection of an organised "system of general security." And that must involve a restriction of their "sovereign rights" and powers—a larger restriction, presumably, than was involved in acceptance of the League of Nations' Covenant.

So the question arises, should the liberated States be *obliged*, as part of the price of liberation, to sign a new Pact of peace "on the dotted line"? Or should they have just such freedom as, say, Britain will have to accept or reject the obligations and benefits of membership of the organised commonwealth of nations?

The answer, surely, is that these countries should be left truly free to decide this issue for themselves. There can be little doubt as to what choice they will make. (President Beneš, for instance, has already declared his confidence that his country will gladly accept whatever restrictions of sovereignty may be needed for the proper working of a "system of general security.") But they must have real freedom of choice. Only if it has been freely undertaken will the future pact of peace and just dealing have a fair chance of becoming an enduring bond, welded into the fabric of the nation's life. In other words, full restoration of "sovereign rights" should be the first step, after liberation from the enemy, and after a new government (which in many cases must at first be a provisional government) has been duly "recognised." The *first* step, but only the first. If such restoration of sovereign rights were to be regarded as a final solution instead of merely a first step, then the foundations of peace could not be laid, and the rest of the Charter would be emptied of meaning. Unless there is to be a large restriction of the "sovereign rights" of States, there can be no assurance of "access on equal terms" to world trade (Point IV); no "fullest collaboration between all nations in the economic field" (Point V); no peace affording to all nations an assurance against aggression, and affording assurance to all men that they "may live out their lives in freedom from fear and want" (Point VI); no protected freedom of the seas (Point VII); and certainly no "system of general security," no general "abandonment of the use of force," no general restriction of national armaments (Point VIII).[1] Nor can there be any protection for the Four Freedoms which President Roosevelt has formulated unless "sovereign rights" are so far waived as to

[1] For instance, a general agreement to limit and reduce national armaments is unlikely to command sufficient confidence unless it includes provisions for impartial supervision, including inspection on the spot, and for publication of all expenditure for war purposes. So if a government, claiming rights of "absolute sovereignty," were to refuse such supervision or such publication, it would be frustrating one of the major aims of the community of nations.

allow of a large extension of international concern in what has hitherto been regarded as the exclusive province of national government.

In short, the phrase about restoration of sovereign rights states a sound point, but if it were applied without reserve there would be no hope of achieving a peaceful commonwealth.

(3) SELF-GOVERNMENT

There remains the third item of Point III—the call for restoration of "self-government . . . to those who have been forcibly deprived of it."

Here too, the principle is sound, so far as it goes. Why is the heroic underground war being fought or prepared all over occupied Europe? Because the peoples which have once known the opportunities of self-government will give their lives to win back that freedom, with all its risks and responsibilities. Why was Lidice wiped out? Because the Czechs would not put up with a Protectorate, and will not do so, as long as they survive, even if the Protector be an archangel instead of a Heydrich. All these communities, having known self-government, want to recover it, but need also the help of "a system of general security," economic as well as political, to protect the liberties regained.

Self-government and India

Claims for self-government will come, too, from India and other peoples besides those which have been "forcibly deprived of it" in this war. The vast mass of peoples which are more or less dependent in status must not, cannot, be left out of the "new birth of freedom" which Allied victory should make possible. Where does the Power with the largest colonial responsibilities, Britain stand on this crucial question?

When Mr. Churchill reported to Parliament on the making of the Charter, he said:

> "At the Atlantic meeting we had in mind primarily restoration of the sovereignty, self-government and national life of the States and nations of Europe now under the Nazi yoke, and the principles which would govern any alterations in the territorial boundaries of the countries which might have to be made. So that is quite a separate problem from the progressive evolution of self-governing institutions in the regions and peoples which owe allegiance to the British crown. We have made declarations on these matters which are complete in themselves, free from ambiguity, and related to the conditions

and circumstances of the territories and peoples affected. They will be found to be entirely in harmony with the high conception of freedom and justice which inspired the joint declaration."[1]

That statement was much resented in India and Burma, where it was widely regarded as an attempt to exclude those countries from the Charter's scope. If any such exclusion were attempted, it would be deeply resented by the majority of our countrymen and by our Allies in the United States, Russia and China. But Mr. Churchill's statement was soon followed by the Cripps Mission to India, with the pledge, authorised by Mr. Churchill and his colleagues, of full self-government just as soon as the Indian peoples can agree upon the constitutional basis for this after the war. Whatever mistakes may have been made at that time (e.g. in hurrying the conclusion of the mission), and whatever mistakes are being made now, on both sides (e.g. in preventing all discussion with the imprisoned Indian leaders), it can fairly be claimed that the pledge given by the Cripps mission, and since reaffirmed, is proof that the British Government does not now desire or intend to withhold full self-government or any part of independence any longer than the immediate needs of total war make necessary.

Self-government and Colonies

When Mr. Churchill said that the Charter's reference to self-government concerned Europe "primarily," the situation was very different from what it is now. The United States was not at war, Japan had not invaded the Colonial lands of the Pacific and S.E. Asia, and the United Nations alliance had not yet been formed. But even in that situation, the Charter would have been more useful as an assurance and a lead if it had included a clear British-American recognition of the need for general application of the principle of temporary trusteeship in colonial government, and for the effective promotion of self-government. And to-day, when the situation is very different—when China, Russia and America are Britain's allies and a great part of the war effort is in colonial lands—the lack of any agreed statement on the future of the colonial system has become an outstanding deficiency in the political armoury of the United Nations. If the Allies are to fight the war of ideas effectively, they must establish confidence, both by words and by deeds, that the "new order" which they stand for is compatible—unlike Hitler's "New Order" or Japan's

[1] September 9, 1941.

"Co-prosperity Sphere"—with expanding liberties for all peoples, including those colonial in status. They should be in a position to convince the Burmese, for instance, that an Allied victory will mean for them more liberty, better living conditions, than they could expect under the régime of independence vouchsafed by an imperialist Japan. They should be ready, before the war ends, to act together when the post-war opportunity comes—when immense changes in the system of colonial empire will be demanded.

Unless the allies are in broad agreement upon a progressive policy of political and economic emancipation of dependent peoples, these post-war changes may bring yet more conflict, yet more delay in the general achievement of "freedom from want," and crippling divisions between the Allies themselves.

Some cautious steps towards such emancipation are being taken or prepared even now. In China, the long overdue abolition of the unequal treaty rights means the formal ending of a quasi-colonial system which has poisoned China's relations with the West. In Jamaica, the British Government's plan for a new Constitution, though still offering only very limited powers of responsible government, does propose the creation of a House of Assembly elected by universal adult suffrage. In the West Indies and in Africa the regional principle begins to be tentatively applied, and in the Canberra Agreement (January, 1943) Australia and New Zealand have recognised its bearing upon future problems of government in the dependent lands of the Southern and South-western Pacific.

All this and more can fairly be said in defence of the present colonial order; and the anthropologist can bring clear evidence of the dangers of hurrying overmuch, and of standardising, the evolution of the very diverse dependent peoples. There can be no quick, simple, universally applicable formula for the advancement of self-government.

But when every reasonable reserve has been made, we should recognise that the colonial system as we have known it has become in many respects an intolerable anachronism. Local ameliorations will not suffice. Major changes will be demanded soon—changes that will imply a break with imperialist traditions and practices. Mr. Wendell Willkie may be inadequately informed as a critic of colonial policy, but he was substantially right in saying in *Our World* that—

"After centuries of ignorant and dull compliance, hundreds of millions of people in eastern Europe and Asia have opened

the books. They are resolved, as we must be, that there is no more place for imperialism within their own society than in the society of nations. The big house on the hill surrounded by mud huts has lost its awesome charm. Men and women in Russia and China and in the Middle East are conscious now of their own potential strength. They are coming to know that many of the decisions about the future of the world lie in their hands. And they intend that these decisions shall leave the peoples of each nation free from foreign domination, free for economic and spiritual growth."

America, Russia, China, and soon a new India will be saying, with new insistence, that the education of dependent peoples for self-government has been unduly retarded, and that promotion of such self-government is an urgent concern of the whole community of free peoples. It will not suffice for a British Government, or a French or a Dutch one, to reply that their imperial system has done something for the welfare of dependent peoples; whether as leaders or as resisters, these Governments will have to reckon with a new challenge to the assumptions on which empire-building has been conducted and is still defended, and they will find that challenge backed by forces too powerful to be ignored. This war has precipitated that challenge: the coming together of the United Nations will give it unprecedented strength, and a great speeding up in the emancipation of the peoples of the British dependent Empire should be one of its consequences.

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To sum up. Point III expresses an important part of the truth; it endorses a claim which is reasonable if not pressed too far, and practicable if certain conditions are realised. But the claims of nationalism which are recognised in this point can only be made compatible with general security and freedom if the rights of nationality are tempered by the duties of international fellowship. "Sovereign rights" and powers must be curtailed; self-governing States must learn to entrust to a representative international authority certain rights and powers of government for purposes common to the whole community of nations. If there is no such restriction of sovereign rights and powers, no such development of "world government for certain purposes," then we shall presently lose the peace so dearly won.

CHAPTER VI

THE ECONOMIC AND SOCIAL PROGRAMME

Point IV. "*They will endeavour, with due respect for their existing obligations, to further enjoyment by all States, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity.*"

Point V. "*They desire to bring about the fullest collaboration between all nations in the economic field, with the object of securing for all improved labour standards, economic advancement, and social security.*"

THESE TWO POINTS MAY conveniently be discussed together, since they deal with interlocked economic and social policies; and with them should be included a third text—Article VII of the Mutual Aid Agreements of 1942, since this gives an idea of how the Governments chiefly concerned interpret the Charter's economic aims.

THE MUTUAL AID AGREEMENTS

The Agreements referred to were a sequel to the Lend-Lease Act of March, 1941, by which the U.S. provided for the supply of defence goods, including food, from the U.S. to any countries whose defence might be considered by the U.S. to be necessary for America's own defence. This supply—which has, of course, been one of the decisive factors in the war—is provided without any monetary loans, any piling up of dollar debts at compound interest, such as bedevilled international relations after the last war. But more precision was needed as to how the final settlement of Lend-Lease accounts was to be reckoned, after the war; so in February, 1942, the U.S. made an agreement with Britain about this. This "Mutual Aid Agreement" says that goods not used up in the war may be returned to America, that aid rendered to the U.S. shall be offset against the American aid supplied, and that, in making the final reckoning, the President of the U.S. shall be governed by the principles of Article VII, quoted below. Since then, identical Agreements have been made by the U.S. with the Soviet Union, China, and many other United Nations. Here is the text of Article VII of the Agreement with Britain.

"*In the final determination of the benefits to be provided to the United States of America by the Government of the United Kingdom in return for*

aid furnished under the Act of Congress of the 11th March, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the United Kingdom, open to participation by all other countries of like mind, directed to the expansion by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on the 14th August, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

"At an early convenient date conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded Governments."

There is yet a fourth text which may appropriately be taken into account when we are considering the economic and social programme of the United Nations; for the "Four Freedoms" policy, formulated by President Roosevelt on January 6, 1941, has received such widespread support that it now has claim, albeit an informal claim, to rank alongside of the Charter and the Mutual Aid Agreements. The text is quoted and discussed below.

Now, what does this programme amount to? Is it practicable and desirable?

Our discussion of it can be conveniently divided under five main headings:

(i.) The Transition from War to Peace Economy;
(ii.) "An Economy of Abundance";
(iii.) Equality of Trading Opportunity;
(iv.) "Fullest collaboration in the economic field";
(v.) "The Four Freedoms."

1. THE TRANSITION FROM WAR TO PEACE ECONOMY

As the "Cease fire" spreads from field to field across Europe and Asia, the most hard hit countries will face immense problems of relief and reconstruction, and the countries still relatively well

off will face the most complex tasks of readjustment. The difficulties will be so formidable and complex that no perfectly managed transition from war to peace can be hoped for. War always does create conditions in which the solution of such problems becomes most difficult. But this generation, in tackling such problems, will at least have some advantages over the generation of 1918; for now the disastrous mistakes of last time stand on record, and now there is much more understanding of the elements of economic order. We have been warned.

Food

The first cry will be for food. The need will be immense and most urgent, for a great proportion of Europe's population has been living for several years on a diet far below what is required for health. This need can only be met, in the first instance, by imports from outside Europe, supplied by such means as the U.N.R.R.A. (United Nations Relief and Rehabilitation Administration) is to provide. Much of this supply will have to come as a gift or on such credit terms as the Lend-Lease policy has afforded during the war; for most of the hard hit countries will at first lack means of payment for even the most necessary imports from abroad.[1]

The one test for relief should be need—physical need. The United Nations should be scrupulous in not using relief as a political weapon, and in not allowing it to be so used by those whom they employ as agents. In applying the test of need, it must be remembered that the German invaders have for long been brutally plundering the countries they invaded, to fill the German larder.

Food Production

One of the clearest lessons of last time is that relief must not be separated from reconstruction. In 1918 the supply of food was almost the sole concern of the Allies' relief administration, and "rehabilitation" was left to take care of itself, with disastrous results. The United Nations must not assume that they have done their job when they have enabled the hungry to be fed for

[1] In the last war the Allied Relief Organisation supplied 4,178,000 tons of food and clothing to the most hard hit European countries between December 1, 1918 and August 31, 1919. Most of this was supplied on credit, but a small amount was given. Nearly all Germany's imports (1,215,000 tons), had to be paid for in gold or its equivalent. The decision whether payment should be made in cash or on credit terms was determined, not by capacity to pay, but rather by political considerations.

a few months; they must help those hungry people to resume production, especially food production. Fortunately, this is now recognised, as is evident from the title and constitution of U.N.R.R.A.

Fertilisers, seeds and agricultural implements will be amongst the urgent needs. Help must be given in building up Europe's livestock again, since millions of animals have been slaughtered during the war. It cannot be expected that the Continent will recover for several years its pre-war capacity to feed itself.

Raw Materials, etc.

Clothing will be hardly less important, in some quarters, than food. Manufactured goods will be required for the restoration of public services, especially transport. And raw materials must be made available quickly if the ravaged countries are to restart the wheels of industrial production and so become able to supply themselves and pay for their imports.

Only governmental agencies can tackle such a task. Private enterprise will not, cannot, assume such risks, when the hope of profit is comparatively so remote. The governments must tackle it; otherwise the prosperity of all countries, including those which appear to be most impregnable, will suffer again, as they suffered last time.

Note what happened in 1919–20. During 1919, Continental Europe as a whole imported $3,600,000,000 worth of raw materials and semi-manufactured goods. Practically the whole of this ($3,500,000,000 worth) went to the four Western Allies and the six neutrals; only $100,000,000 worth went to all the other thirteen countries put together, viz. Germany, Austria, Czecho-slovakia, Hungary, Yugoslavia, Bulgaria, Roumania, Greece, Finland, Estonia, Latvia, Lithuania and Poland. In 1920 the situation was not much better, the total imports of raw materials and semi-manufactured goods by these thirteen countries being only $600,000,000 worth.[1] Conceive the effect of this lack of raw materials in retarding the recovery of a shattered Continent. Without certain imports of raw materials the countries in question could not restart their industries or get their workers re-employed; and without borrowing they could not get those imports. No international action was taken for four years to relieve this situation, so that a great part of Europe's economy lay in ruins during what should have been a time of healthy rebirth. Then, tardily, an attempt was made to restore confidence by the issue of loans, but this resulted in an orgy of borrowing on

[1] *The Transition from War to Peace Economy*, League of Nations, 1943.

extravagant terms, which presently contributed to the clash in 1929. The great slump was largely the result of the failure to deal with the problems of transition by a concerted plan in good time. We cannot afford to repeat such errors.

Reference is made below to the need for international machinery to ensure the most advantageous distribution of such raw materials as may be in short supply during the transition period.

Disease

Concerted action will be necessary, also, to deal with the war's legacy of disease. Tuberculosis, venereal diseases, malaria and the diseases of malnutrition will be abnormally rife, and we may yet see Europe swept by some great epidemic, such as the Spanish influenza of 1918. There may be local epidemics of typhus, which killed many millions of people in Russia in 1919 and 1920.

Repatriation

Another huge task will be to resettle the millions of people who have, for one reason or another, been moved from their home lands. It is estimated that, apart from armed forces and prisoners of war, over 21 million people in Europe (apart from Russia) are now forced to live away from their homeland.[1] Some of them will never be able to return. But the great bulk of them ardently wish to do so as quickly as possible.

Besides the kind of problem that has been created by Hitler's barbarous policy of wholesale deportation, and by the German demand for foreign-born labourers, there will, of course, be the enormous task of repatriation of the armies and of prisoners of war. Never will there have been such a world-wide "general post," and never will such a movement of peoples so much require resolute and considerate handling by an international authority.

Stabilisation of Currencies

One of the urgent problems will be the stabilisation of currencies. Last time, nothing was done about this till too late. There was at first lack of confidence in some of the new Governments; the machinery for collecting taxes was still defective; and the lack of means for purchasing necessaries from abroad put an excessive strain on the exchange value of the currencies. In the absence of any international machinery to enable the newly established Governments to draw upon an international fund until they had had time to consolidate their financial position,

[1] *The Displacement of Populations in Europe*, by E. Kulischer; I.L.O., 1943.

each Government was driven to fend for itself, desperately adopting this or that expedient without regard for the injury that might be inflicted upon others. The exchange value of some currencies went to pieces, and countries with unsteady exchanges sought to protect themselves by exchange controls; when some countries resorted to dumping their exports, others defended themselves by erecting new tariff barriers and quantitative restrictions upon imports. And so the newly-born trade of peacetime was suffocated by inflation, trade barriers, exchange restrictions and the instability of currencies.

After this war, similar problems will arise over an even wider area; and this time the problem of rebuilding confidence will in some ways be harder than it was then, since the period during which commercial confidence has been lacking has lasted with little intermission since 1930. Action must be international as well as national; no one nation can save itself entirely by its own exertions from the disasters bred by economic anarchy. "Together we may stand; divided we shall quite certainly fall."[1]

Controls

It is of the first importance that wartime controls, such as the pooling of shipping, rationing, price controls, commodity controls and the pegging of currencies, should be kept on for long enough after the war to allow of an orderly transition. And these controls of the war period should lead on, without break of continuity but with large changes of personnel, into the controls which will be a necessary part of the world's permanent economic organisation.

The continuance of rationing is an indispensable part of the relief programme. For relief is a two-sided task; it involves obtaining supplies for those who cannot yet supply themselves, and it also involves restraint from consuming a disproportionate share of the available supplies.

Rationing must be internationally co-ordinated. Otherwise an increase of rations in one country will be liable to cause a rise in world prices, and a constriction of supplies, and this will make rationing elsewhere difficult to maintain. This is not to say that rations should be the same in all countries, but that there should be broad agreement upon the *rates of change* of rations.

One reason why controls must be maintained is that the State must protect the community against the danger of inflation and against the danger that a trade boom will be followed by a slump, with consequent unemployment in the trades affected. Immedi-

[1] *The Transition from War to Peace Economy*, League of Nations, 1943, p. 72.

ately after the war the public will want to spend savings quickly, to satisfy long-standing wants; but the supply of goods will still in most cases be very restricted, so that if purchasing power were to be expanded with a rush, there would be a dangerous rise of prices. In the case of some home-produced foods, such as milk, producers need have little fear of a slump in demand, since the post-war demand is likely to continue at a higher level than before the war; but in the case of durable and semi-durable goods, the increase of demand will be sudden, at first intense and then diminishing, so that the danger of a subsequent slump will be serious.

This maintenance of controls is not simply a philanthropic policy; it is dictated by "enlightened self-interest." All the nations will suffer from the ensuing scramble if the international control of supplies and shipping is not maintained, as part of a comprehensive plan for the transition. All, not excluding the United States, will be injured if any large part of the comity of nations is beggared and driven desperate by hunger and economic chaos.

There is here a great and present danger. Powerful interests are even now at work to ensure that wartime controls shall be liquidated within a few months after the "Cease fire," and to prevent controls being maintained permanently, either on a national or an international basis. It is claimed that business should have licence, as soon as possible, to govern big business without any substantial provisions for protection of the public interest; and that when industries have been organised into a series of private monopolies, with power to regulate the entry of newcomers, to fix minimum prices and to make private deals with corresponding groups abroad, with private profit always as the motive, the outcome will be liberty, plenty and steady employment. Unless the public interest is protected by national and international controls, intolerable waste and economic insecurity will certainly ensue, as they did between the wars. The real choice before the world is not between control and no control, but between controls organised by sections of the community for their own private profit and controls organised by the community to protect and adjust the diverse interests of all the people—consumers as well as producers. We cannot go back to *laissez faire*, nor can we be content with a system in which control of the keys of economic power is held, not by the agents of the community for the community, but by private companies and combines of monopoly capitalism.

Replanning of Production

One of the most important and difficult problems of the transition will be the planned readjustment of the world's production, both of primary products and of manufactures. For the whole pattern of production has been distorted by the war into a new shape which will be inappropriate in many respects for peacetime needs.

Governments will have plans for ensuring equitable priority in the demobilisation of the Armed Forces, and there will also be plans for getting work started in accordance with priority of needs; but it will not be easy to make these two kinds of plan fit together.

Very difficult problems, national and international, will arise when the industries which have been greatly expanded for wartime needs have to be contracted to suit conditions of peace. Ships, for instance, have been built in huge numbers by mass-production methods, to defeat the submarine campaign and transport the armies; no fewer than 164 merchant ships were delivered from the shipyards of the United States alone during the one month of August, 1943. It was necessary to build these ships; but there is no chance that they will all be needed for post-war commerce. A pity, but it cannot be helped. The aircraft industry now employs 2,000,000 people in Britain alone; and production of aeroplanes is on a scale enormously in excess of any conceivable peacetime requirement. At the same time, there will be, at least for some years after the "Cease fire," an enormous unsatisfied demand for domestic building. The switch over from one type of production to another will involve complex readjustments of many kinds; and whilst production will benefit in some respects through the acquisition of new skills during the war, some skill and some plant will have to be written off as unusable.

Many of these problems of readjustment can only be solved by international agreement. There is the problem, for instance, of replanning the rubber industry. Japanese seizure of the sources of natural rubber in the Far East led to the sudden growth of an immense artificial rubber industry in the United States. Presently, the producers of artificial and of natural rubber, and the consumers, should get together, to plan a reorganisation of the industry which will afford a fair deal to both kinds of producers and to the consumers.

None of these problems will be more important than the problem of reshaping the pattern of the world's agriculture. In Britain, the war has driven us to make an enormous increase of home production of the bulky, energy-producing foods, so as to

save shipping space. Agriculture in continental Europe has been changed in similar ways. But it would be very bad economy to perpetuate just this kind of agricultural production in peacetime; all the countries will need a concerted plan for the progressive readjustment of their agricultural resources, "to conform," as the Food Conference said, "to a long-term, co-ordinated production plan for the best use of these resources on a world scale." And that plan should (to quote the Conference again) be "based on better diets for their own people, and on the international demand for nutritionally better food." Countries which have greatly expanded their production of foods such as grain and sugar should be encouraged to turn over much of this production to the more perishable and expensive foods, rich in vitamins, minerals and proteins, such as milk, vegetables, fruit, eggs and meat. Such readjustments will have to be gradual, not sudden, or they will produce much hardship and dislocation; and they must be based on an agreed plan, patiently negotiated, not upon any arbitrary dictate.

2. "AN ECONOMY OF ABUNDANCE"

Signatories of the Mutual Aid Agreements are committed to "agreed action . . . open to participation by all other countries of like mind, directed to the *expansion, by appropriate international and domestic measures, of production, employment and the exchange and consumption of goods.*" The United Nations Food Conference (June, 1943) used almost the same words, its aim being the "achievement of an economy of abundance."

Expansion or Restriction?

These statements signalise the beginning of a momentous and most salutary change in the ideas of official spokesmen about economic policy.

Look back, for comparison, to the policy advocated by orthodox capitalist economists after the last war. In 1919, the dominant idea, as expressed in the report of an official committee headed by Lord Cunliffe, was that expenditure must be drastically restricted forthwith, regardless of the consequences, in order to pay off a lump of the National Debt. In 1922, faced by mass unemployment in this country, the Geddes Committee again called for the most drastic economy; the idea being that when a slump was beginning (i.e. when spending was not enough to maintain full employment) then was the time to restrict expenditure still further, as a measure of economy. The result of

such "sound finance" was to put still more men out of work, and so to waste the wealth which could have been created by their work. In 1931, during the great slump, another official report, that of the May Committee, declared that our democracy was in danger of "shipwreck on the hard rock of finance" if we continued the expedient (now regarded as perfectly sensible) of financing part of unemployment benefit in a time of depression by Government borrowing. And so, in the name of economy, thousands of millions of pounds worth of wealth was lost. In 1932 over 25,000,000 industrial workers in the world were unemployed, and uncounted millions of agricultural workers were under-employed. In 1932 the national income of the United States was less than half what it had been in 1929, and the fall in Germany was almost equally severe in proportion. Between 1930 and 1934 the national incomes of the United States, Britain and Germany lost, owing to the slump, some £22 thousand million —a sum nearly equal to the total cost of the four years' war to all the belligerents put together.

We have seen the same restrictionist ideas affecting the production of food. Till lately, as Mr. Attlee has said, when faced by the serious underfeeding of millions of our countrymen, the Labour Party in Parliament has repeatedly "been met with proposals for the artificial creation of scarcity."[1] Till lately, when farmers had large stocks of food on their hands, Governments encouraged them, even subsidised them, to destroy crops and livestock; so that, whilst the health of millions of people was being damaged for lack of "our daily bread," corn and coffee was being burnt, potatoes were sprayed with oil to make them uneatable, and pigs were slaughtered in quantity to get them off the market.

To-day, it seems, we are beginning to turn towards a policy of expansion of production and consumption, with full employment. To-day, so orthodox a capitalist as Lord Woolton says, as Minister of Reconstruction, that "an expansionist policy is the right and proper policy for this country to pursue."[2] We are beginning to realise that, if we waste working power, we waste national income.[3] After bitter experience, the world is being forced to recognise the soundness of the Socialist principle that the economic system should be planned, nationally and internationally, instead of being left to the violent hazards of "the law of supply and demand"; and that it should be planned with

[1] July 12, 1943. [2] House of Lords, 15.2.44.

[3] It is estimated that, in present conditions in this country, the employment of 230,000 people means a difference in the national income of about £100 million a year.

a view to satisfying the needs of the community as a whole rather than for enabling groups of producers to squeeze as much profit as possible out of the consumer's need.

Assuming that what is needed is "an economy of abundance" based on "full employment," what shall we have to do to raise levels of consumption, to expand and improve production, to expand international commerce, and to maintain full employment?

(*a*) Expansion of Consumption

Consider, first, the consumer's end of the programme.

The outstanding fact is that the consumer's need enormously exceeds his capacity to pay. The demand is there but not "an effective demand." If the national incomes of the great industrial countries, especially the United States and Britain, could be maintained at a high and steady level, most of the problems that trouble the producers of primary products would be solved. As the Food Conference said:

> "The first cause of hunger and malnutrition is poverty. It is useless to produce more food unless men and nations provide the markets to absorb it. There must be an expansion of the whole world economy to provide the purchasing power sufficient to maintain an adequate diet for all."

An official American spokesman well described the pre-war world as having been "commodity-rich but consumption-poor."[1]

What can be done?

(1) *Employment Policy.* Firstly, there is much to be done, nationally and internationally, to maintain full employment and prevent trade depression. This crucial issue is dealt with below.

(2) *Social Security.* Secondly, the State can adopt social-security measures to keep the income of the poorer citizens up to a decent level on such lines as the Beveridge Plan proposes. The State can establish a minimum standard of living, with minimum wage standards; it can provide an insurance system against unemployment and ill-health, and, not least important, it can establish family allowances. All these methods are recommended by the Food Conference.

The State can afford to finance such services if effective action is taken to maintain the national income, with full employment.

(3) *Social Services.* Thirdly, the community can provide, free of charge or at low cost, services which are indispensable for all, such as education, health services, water and lighting. In

[1] Mr. Milo Perkins, quoted in *The Times*, May 26, 1942.

providing for such services out of taxation, the community is continually redistributing the national income in favour of the poorer consumers.

(4) *Free Food for Special Classes.* Fourthly, the community can, as the Food Conference recommended, adopt "some form of direct action to make protective foods available free, or at low prices, to groups with inadequate diets"; it can give "special attention to assisting such groups as pregnant women, nursing mothers, infants, children, aged persons, invalids, and low-paid persons." A good deal has been done recently on these lines; for the recognition is growing that, like socialised education and health, and like State-aided housing, such feeding is an investment which pays returns in good life, and which incidentally promotes "an economy of abundance." When the State socialises a demand for milk, by giving an order to farmers for so many millions of bottles of clean milk for daily delivery to school children, it is putting vigour into its future citizens and at the same time putting its farmers on to a steady job of wealth-production.

(5) *Eliminating Redundant Costs.* Fifthly, by eliminating redundant costs, the State can do much to narrow the gap between the consumer's pocket and the price properly due to the producer. Prices must, of course, be sufficiently high to allow for a fair return for the producer, and for those distributors who are really needed; but it commonly happens, under our present economic system, that the price which the consumer has to pay is inflated by a lot of redundant costs which might well be squeezed out.

(*a*) Think, if you are a housewife in London or in Leeds, what you, the consumer, have to pay the middlemen for the food you bought before the days of wartime price-fixing. Think, if you are a fisherman or farmer in Cornwall, of the toll taken by the middlemen before your stuff reached the pre-war consumer. Surely the middleman's toll was intolerably heavy. We need not rely on mere guess-work in saying this, for the official evidence is clear and shocking. Back in 1924, for instance, a Departmental Committee, under the chairmanship of the Marquess of Linlithgow, reported to the Ministry of Agriculture on "Distribution and Prices of Agricultural Produce" (Cmd. 2008):

> "Our investigations," they said, "have led us to the conclusion that the spread between producers' and consumers' prices is unjustifiably wide. Taken as a whole, distributive costs are a far heavier burden than society will permanently consent to bear. . . . In our interim reports we have instanced

unjustifiable distributive charges, and we have recorded our view that individual traders and groups of traders are, in some cases, still making higher profits than are warranted by the services they perform. These profits should be reduced. . . . Public interest demands a far more determined effort on the part of all concerned to bring about reform and to increase the efficiency of the marketing and distributive machinery as a whole."

To-day, that "far more determined effort" has not yet been made, and the evil still continues, as Lord Woolton and others have emphasised. Indeed, the disproportion in the numbers of distributors and the costs of distribution had largely increased in the years before this war.

It would, of course, be most unfair to infer from these facts that all distributors have been overpaid; and it would be absurd to claim that the services which deliver goods to the consumer at the required time and place are redundant. But when the gap between what the consumer pays and what the producer gets is so wide as this, there is evidently a strong presumption that the machinery of distribution needs drastic overhaul.

(*b*) Next, think of all the money that is spent on advertisement. It is estimated that in 1936 £5 million was spent on Press advertising alone, for the advertisement of patent medicines, toilet requisites and soaps.[1] That figure covers only advertisement in the Press; to it must be added other advertising costs, including those too-familiar posters of lovely ladies who have not neglected to clean their teeth, wash their faces, or relieve their headaches. Do not imagine that the producers paid for this. You did. The producers, prompted by the profit motive, put down all these millions of pounds on to the bill of those consumers who bought their stuff. Your bill. It is you, the consumer, who pays for the showy salesmanship, the ostentatious business premises—not the producer.

(*c*) Next, note what a reduction of prices can be achieved by rationalisation of production.

Suppose that you want, now in wartime, to buy towels or sheets, or a suit, or some cups and saucers. You will find many of these articles labelled "utility"; and the prices of these utility articles will be much less than the prices of non-utility goods of much the same quality. The reason is that, in the case of utility articles, the State has stepped in and has put an end to many of the causes of high prices. For instance, it costs much more both to

[1] A Report on the British Health Services, *P.E.P.*, 1937, p. 359.

produce goods and to distribute them if they are being produced in a great variety of sizes and shapes. If towels are being made in ninety different sizes—as they were being—every retailer has to stock each size, in case some customer has a whim for some particular size; and so the retailer has to incur the cost of additional space for stock, outlay of capital, and so on. The quality of the towel, its ability to do the job demanded of it, remains the same, after the number of sizes has been reduced owing to the State's intervention. All that is lost is that the consumers' range of choice is limited to some extent; what is gained is a considerable reduction in the price of the towel, which means that the purchaser will have more to spend on something else.

One of the main items of cost in manufacture is the cost of getting a process started. Once the process has been started, the more articles of a particular pattern can be produced, the lower can be the cost per article. If, for instance, the type for printing a book has been set up, it costs not much more to print 5,000 copies than 500 copies. The same applies to the manufacture of cloth, or sheets, or pots and pans. Thus, if a manufacturer can stick to a few standard patterns instead of having to switch over to new patterns at excessively frequent intervals, he can reduce costs, and the consumer will have to pay less for the article.

Of course, it is not suggested that the production of every kind of article should be standardised; there are many classes of goods in which the widest variety of design and quality is needed. Nor is it suggested that, after the war, the wartime standardisation should be maintained for all those articles to which it was applied during the war. But it is suggested that there is a considerable range of articles whose production might well be standardised, and that it will be desirable to develop in peacetime some of the State's wartime experiments in socialisation of demand.

(*d*) One other problem of price reduction remains to be considered. If you buy some manufactured article, part of your payment represents a return on the capital invested in the manufacturing industry. You are paying not only for the raw materials used, for the labour employed in making the article, and for the services of the distributors, but also for the dividends paid to shareholders. The question is, do those dividends represent a fair rate of hire for the capital invested? So long as there was free competition in industry, the capitalist could argue that competition served to keep dividends down to a fair level. But to-day that argument has lost much of whatever force it once had. For now monopoly and semi-monopoly control such a great proportion of industrial production that competition has lost

most of its power as a regulator. The result is that over a wide range of manufactures, there is no adequate protection for the public against the exaction of exorbitant prices in the interest of those who have bought or inherited shares in the manufacturing companies. You, the consumer, have to find the money out of which the shareholders' dividends are paid, and you have no guarantee that those dividends are not extortionate.

The only satisfactory way to eliminate this kind of redundant cost is to socialise the chief producing industries, whether as public utility corporations or in some other form.

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Thus, there are various ways in which the community can help to maintain consumption on a high and progressive level. The community can do much to maintain the purchasing-power of the average consumer, to socialise certain kinds of demand, and to narrow the gap between the consumer's pocket and the producers' price.

(*b*) Expansion of Production

The Need for Expansion

Next, what can be done at the other end of the same problem, the producer's end?

Just as it is no good increasing production if there is no effective demand, so it is no good increasing demand if production is inadequate.

Evidently, the world needs a huge expansion of production of goods of almost every kind. During the century before the war there was a vast increase of production and distribution (and with it a vast increase of population). But that did not make the pre-war world a world of plenty; it was only a world of potential plenty. And that will still be the position after the world has recovered from the hunger and devastation of this war, unless a great increase of production as well as of distribution is achieved. Of course, a fairer sharing of existing supplies can do a great deal, as our wartime rationing of food has shown. But no mere re-slicing of the world's cake will suffice. The size of the cake must be greatly increased if there is to be anything like that "freedom from want" for "all the men in all the lands" which is the aim of Point VI of the Charter.

Think of the need for housing, after all the bombing and the long suspension of normal building. Think of the need for clothing in Europe after these years of blockade. Think of the need for

raw materials to re-start the factories of Europe. Think of the need for food; not only the abnormal need for relief which must be tackled by the United Nations as soon as they are in control of the liberated lands, but the shortage that has always been normal in peacetime. We are only beginning to realise how great that shortage has always been. As the Food Conference said, "There has never been enough food for the health of all people." Even in the richest countries—the U.S. and Britain—a third of the population before the war was underfed, and a huge proportion of the peoples of the world, especially in South-east Asia, Central Africa, and South-east Europe have never known an adequate and balanced diet.

The job can be done. As we have seen in this war, highly organised industrial communities can now produce goods on a scale never previously thought practicable. They have done so under the pressure of war and could do so for the purposes of peacetime.

The Food Conference prefaced its first resolution with this memorable statement:

> "This Conference, meeting in the midst of the greatest war ever waged, and in full confidence of victory, has considered the world problems of food and agriculture and declares its belief that the goal of freedom from want of food, suitable and adequate for the health and strength of all peoples, can be achieved."

Continued shortage, the Conference said—

> "is justified neither by ignorance nor by the harshness of nature. Production of food must be greatly expanded; we now have knowledge of the means by which this can be done."

It must be recognised, however, that this "freedom from want of food" cannot be achieved very quickly except in the most fortunate countries. And before we can achieve that larger objective for "all the men in all the lands," we shall first have to achieve freedom from hunger—the hunger that cripples and kills. The need in Europe will be so widespread and bitter that this conquest of hunger will require an enormous effort—an effort in which we shall all have to bear our share, for reasons of self-interest as well as of humanity. As the Food Conference said:

> "During the period of critical shortage in the aftermath of war, freedom from hunger can be achieved only by urgent and concerted efforts to economise consumption, to increase supplies and distribute them to the best advantage."

Yes, the world has the means now by which plenty can be produced. But will that power be fully used? That would seem a crazy question if the world economy were sanely organised; but as we know to our cost, the question isn't crazy, the system isn't sensible. We shall go on suffering from just such life-destroying silliness as we saw between the wars unless certain things are done.

Maintaining Demand

Firstly, the community can do much to maintain demand at a high and steady level, by action to maintain full employment and keep the income of the average consumer and producer at a high and steady level, and by socialising certain kinds of demand.

This country is in the main a producer of industrial goods; but in order to make those goods we have to import raw materials; and in order to import those raw materials we have to maintain a large amount of export trade. If we are to maintain that trade our customers must be able to afford to buy our goods. Thus it is of importance to us, for direct reasons of self-interest, that primary producers in the Dominions and elsewhere should have an income sufficiently high and steady to enable them to buy manufactured goods from us.

Reducing Trade Barriers

Secondly, by reducing trade barriers, and especially by making them less arbitrary and unpredictable, much can be done to increase the flow of international trade. In particular, the world will waste its new capacity to supply itself with cheap and abundant food if, in obedience to pressure from sectional interests, countries which produce wheat or sugar at relatively high cost put up trade barriers to exclude imports of wheat and sugar from the countries which produce them at low cost. We will discuss this under the heading "Expansion of Exchange."

Stabilising Prices of Primary Products

Thirdly, there must be national and international action to prevent the wide fluctuation of prices of primary products. Here is an authoritative summary of what happened between the wars:

> "During the last twenty years, the price of wheat and jute has been halved three times within about twelve months, the price of cotton three times in periods of under eighteen months. The price of copper and of lead was halved four times within periods of two years and doubled three times even more rapidly,

The price of zinc was halved twice in eighteen months, of tin twice in twenty-four months; zinc and lead doubled in price three times in two years or less; copper three times in eighteen months. On one occasion the price of coffee was halved in eight months, on another the price of sugar trebled in four months. Between 1920 and 1933, the price of crude rubber fluctuated between four cents a pound and twenty-five times that amount, and was on several occasions doubled or halved in the space of a few months."[1]

Imagine the producer's difficulty in planning production, in face of such tremendous variations of price. And imagine the effect upon the lives of those hundreds of millions of people—some two-thirds of the world's workers—whose income depends on the sale of primary products.

"Interpreted in terms of human suffering, they meant that farmers in many areas were unable to purchase clothes or boots, were unable to send their children to school for lack of them, were unable to obtain food other than that produced on the farm; that debts were unpaid and banks forced to close their doors on their depositors; that savings large and small were lost; and the plight of the paid labourer on the farm or in the mine was often such as to make the incomeless farmer seem fortunate."[2]

What produced these fantastic fluctuations?

In the case of some agricultural commodities, the fluctuations were mainly due, of course, to variations of harvest.

In some cases, they were due to fluctuations in the amount of demand; if the national income of the great purchasing countries, such as Britain, drastically declined, the primary producers were hard hit.

Partly, the fluctuations were due to changes in the character of demand.

Partly they were due to misjudgment by traders, and partly to gambling on the commodity markets.

Partly they resulted from political causes, such as the erection of barriers against imports like the American tariff of 1930.

Evidently there is need for some machinery to regulate the marketing of primary products. But such regulation will be a positive danger if it is not in the hands of a representative

[1] "The Transition from War to Peace Economy," *League of Nations Report*, 1943. p. 24.

[2] *Ibid.*, p. 24.

international authority and if it is not coupled with an effective planning of production.

Many attempts to regulate marketing and production have been made by private enterprise and by Governments, and some of them achieved a measure of success in stabilising prices. But most of these commodity arrangements were made by producers, in the interests of producers, the consumer's interest being represented inadequately or not at all. And no matter what these controllers did with their power, the mere fact that that power was exercised by a vested interest, without adequate representation for the wide public interests involved, gave rise to suspicions, fears and recriminations. The world cannot afford to let itself be at the mercy of the kings of the commodity market, the men who will to-morrow be fighting tooth and nail to retain absolute control over their kingdoms of oil-seeds, steel, copper, non-ferrous metals and so on. Either the community will organise a new kind of collective security against the abuse of commodity controls, or else the commodity controls will restrict the world's potential plenty, misdirect the world's productive effort, and poison the wells of mutual confidence between nations.

What is needed, then, is an international authority, fully representative of both consumers and producers on a footing of equality, to buy up stocks when supplies are ample and to release stocks when supplies are low. The management of these buffer stocks should, as the Food Conference suggested, be governed by an agreed statement of principles; the aim should always be "to promote the *expansion* of an orderly world economy"; and the controls must "include effective representation of consumers as well as producers."

But it would be a disastrous error to rely upon prices, steadied by buffer stocks, as the only regulator of the world's production of primary products. Price by itself is an instrument far too cruel and inefficient. As we said above, any scheme for international buffer stocks must be coupled with *quantitative planning of the world's production*. And this planning must be based on a scientific assessment of what is needed by the world as a whole and what can best be produced in each part of the world. Some countries can only produce one or two commodities; they will naturally refuse to accept any scheme of regulation which would not leave them a chance of economic survival. Other countries could switch over their production from one commodity to another, but only at a heavy immediate cost; in such cases it may be necessary to devise some international scheme of compensation. Planning should be based on the principle of encouraging pro-

duction where it can be undertaken with the most efficiency and at low cost; as the Food Conference said, the principle should be established that "increasing opportunity should be afforded for supplying consumption needs from the most efficient sources of production at prices fair to both consumers and producers." It must be recognised, however, that this principle, however unassailable from a purely economic standpoint, will not prove applicable strictly and uniformly, for reasons of social policy.

In short, the governing aim should be to keep prices steady, with the help of buffer stocks, at a level fair to the consumer and fair to the producer, but low enough to discourage inefficient production. And, coupled with the system of international buffer stocks, there will have to be some quantitative planning of production. For the price weapon by itself will not be economically effective and socially tolerable.

It should be recognised however that the regulation of marketing and production will inevitably be an extremely difficult job, with a large element of uncertainty in its working. There will be danger that prices will be stabilised at excessively high levels, danger that production will be unduly restricted, and danger that the system of regulation will be upset by the competition of reckless outsiders. The dangers of collective action are substantial, but the dangers of inaction are so great that the effort must be made.

Improving Agricultural Production

One of the greatest difficulties in the way of producing enough food for the peoples of the world to eat is that a great part of the world's agriculture is still primitive and inefficient. The majority of all the people in the world live by the land, and most of those people—many hundreds of millions—are small individual producers. A great proportion of these cannot wrest from the land what they need for an adequate and balanced diet. "Too many people on too small units, using inefficient methods of production and lacking occupational outlets for their expanding numbers—these are the characteristics of areas which include nearly half the world's population."[1] The main remedy for "agricultural over-population" is the development of suitable industries in those areas. Apart from that, much can be done to improve agricultural output. Many agricultural communities need help and encouragement to break away from dependence upon a single crop, grown year after year; they need help, too, to break

[1] Food Conference Section Reports, p. 25, Cmd. 6461.

away from a diet confined too exclusively to one kind of food, such as cassava or maize or rice. Long-term investment is much needed, for such purposes as irrigation, flood control, and farm equipment; and in large areas one of the main problems is the freeing of the peasants from the grip of the usurer. In many cases co-operative societies or collective farming are needed to improve agricultural production and distribution. Technical research, pooling of knowledge, compilation of agricultural statistics, and a great extension of agricultural education—all these are needed. Not least important is the scientific direction of measures to conserve national resources; the world is only beginning to realise how great and urgent is the need for safeguards against waste and misuse of the riches of the earth—riches which nature accumulates in the course of centuries but which can be squandered in a few decades, or even in a few seasons, by incompetent farming.

And behind all these issues lies a fundamental political question. To whom should the land, the indispensable land, belong? Many a struggle in the past has centred around that question; the great agrarian revolution in Eastern Europe which followed the first world war is still far from complete; and before the upheaval of the present war has spent its force, we may expect revolutionary changes in the system of land tenure in many countries. Sooner or later the land workers of the world will shake off the arbitrary control of the land by feudal and imperial masters. That process, salutary as it is, will have its dangers; the world's agricultural productivity may be reduced, not increased, by the coming agrarian revolution unless the land workers can and will make use of the new resources of scientific knowledge, technical organisation and co-operation.

Control and Improvement of Industrial Production

We have seen that, to achieve an economy of abundance, a very large part of the world's agriculture requires far-reaching reforms and development. Is there not also need for change in the case of industrial production?

The great bulk of the world's industry is at present organised on a capitalist basis. Is it, being so organised, well-designed to meet the requirements of the community?

Those requirements are, in brief, these; that goods which are required in quantity should be *plentiful*, not artificially restricted; that production should be *cheap*, but only as cheap as is consistent with proper costs, i.e. with costs which allow for decent standards of living for all employed in the production, and no more than a

just (and nowadays small) hire for the capital invested; that production should be *efficient and enterprising*, making the fullest use of scientific knowledge and of invention; that production should be *flexible*, allowing for quick readjustment to meet new demands; that production should afford *full employment*, never wasting the wealth that lies in working power; and that production should be *well directed*, being concentrated upon those goods which, on a sane estimate of priorities, the community needs most.

Is not that, roughly, what the community requires from industry? And is it not clear that the great bulk of industry, as now organised in capitalist societies, is not well designed to meet those requirements?

Certainly, since the industrial revolution, capitalist industry has achieved a stupendous expansion of production. Working under this system, and with the application of science to agriculture, man has perfected the tools with which, given proper organisation, he can now go on to achieve abundance. But it is also true that a great part of our industry employed in producing essential goods is now so organised that restriction of output and the forcing up of prices against the consumer must result. Here is a picture by the present Home Secretary of the effect of cartels, price rings, federations, price fixing combines, etc., upon a wide range of industries producing essential goods.[1]

> "Up to the boom after the last war, the industry was a highly competitive and highly profitable affair with falling costs and expanding markets. Then came the big slump and the change in world conditions. By 1929 (if not earlier) the industry found itself unable to compete or, at any rate, unable to compete without drastic overhauls, re-equipment and changes at the top which it did not occur to it to undertake. Instead, the different competing members of the industry got together to protect themselves so far as they could from the consequences of competition. They formed a ring—the Essential Goods Association. Possibly they got a tariff. They arranged a minimum price below which none of their membership was allowed to sell essential goods, even if his costs of production would have permitted him to do so profitably. They raised a fund to deal with what they regarded as their surplus productive plant. They bought it up—and, like the Luddites—they smashed it. They allocated orders for essential goods among themselves according to some agreed rota. They

[1] Mr. Herbert Morrison, April 3, 1943, at Leeds.

took care not to produce too many essential goods in case their minimum price level might be threatened. It might happen that one or two of the most modern and efficient plants among them were deliberately prevented from operating at full capacity, let alone expanding, in order that the position of the remainder might be preserved and the agreed price of essential goods maintained.

"Behind their tariff wall the Essential Goods Association enjoyed the comfort and security of a national market which they farmed like an old-fashioned private estate. Not too much haste, not too much progress, not too much efficiency, not too many new ideas, not too many new men. They didn't really have a plan, just a mouth-to-mouth, piecemeal, opportunist habit of action, unrelated to any conception of the future or of national needs. They didn't really have a policy—just an urge to get away from the hazards of free competition, with nothing to put in its place.

"This typical industry of ours enjoyed a certain short-term period of prosperity. It had the elementary commonsense or astuteness to offer its workpeople a share in its returns if they would accept a partnership in its restrictive policy. It would do a deal with them—an attractive deal from a limited point of view, but one that would be as fatal to the ultimate aspirations of working people as to the well-being of the whole community.

"That is not a fancy picture. It is by and large a perfectly fair account of a substantial fraction of British industry in the period between the two wars; and it reveals a calamitous—a fatal state of affairs. It reveals an industry comfortably dying on its feet and carrying with it into unemployment and decay a growing part of the creative energies of the nation as a whole. . . . Let us face the facts," Mr. Morrison added, "that monopolies such as I have described are restrictive in their very essence. That is their reason for existence. You will never alter their nature by patching and tinkering with them—their whole set-up and relation to the community must be profoundly altered."

Yes, capitalism in its modern, monopolistic forms is restrictive in spirit and tendency; it stands up badly to the test of efficiency and enterprise; and the community has to pay for much sterile expenditure on advertisement, much showy salesmanship, and the service of too many middlemen.

Moreover, as we can see from the history of the periodic booms and slumps in the industrialised capitalist countries during the

past century, capitalism does not and cannot provide steady and full employment of available working power.

As for the selection of the use to which productive power shall be put, we must realise, when we look around at the mean streets of our cities, at the poorness of our provision for public amenities, or at the conditions in which many a village housewife has to manage her home without the help of electricity or laid-on water, that a great part of our industrial effort under the present system has been, from the community's point of view, ill-directed.

These failures were not accidental; they were inevitable, since the prime motive force of the system has always been the extraction of private profit for a group of shareholders rather than the supply of those goods which the community most needs, at the lowest price compatible with proper costs. Nothing short of a radical reorganisation can possibly achieve this. Unless the public interest is adequately represented in the organisation and direction of industry, we shall continue to get much needless restriction, much avoidable inefficiency and lack of enterprise, much misdirection of production; we shall not get well-regulated employment; and—most important of all—we shall not enlist the full co-operation of all who are engaged in industry. For increase of production is a human problem even more than a problem of organisation. The workers should be able to feel that what they are doing serves, not simply to maintain profit and wages, but the interests of the community as a whole. The workers cannot now feel that; they are not willing to take it for granted that production as operated by private enterprise will be brought by a divine "law of supply and demand" into conformity with the needs of the community. If we want abundant production from, say, the coal-mining industry in this country after the war, we shall have to deal with this psychological factor—the miners' distrust and resentment of the way in which private enterprise has used the mines and the miners, mindful of the wealth to be extracted from them, but often inefficient for this purpose, careless of the interests of the community as a whole, and careless of the conditions necessary for a good life for the miner and his family.

In short, the system under which our key industries are organised involves a colossal waste and misdirection of productive capacity: if we want abundance, there must be a great extension of public control over industry. The community as a whole—consumers as well as producers—must have an effective voice in the planning of production. Many of the key industries which affect a wide range of other industries, and whose control par-

ticularly affects the regulation of employment, should be publicly owned and should be run by public corporations. This applies, for instance, to transport and to coal-mining as well as to gas, water and electricity. And there are many other key industries, including building, the chemical industries, and iron and steel, in which the public interest must be adequately protected by one means or another—protected, especially, against monopoly, and against the arbitrary fixing of prices without regard for the consumer's interest. In the words of the Labour Party's statement, "Wherever public interest is powerfully affected, there it should be powerfully protected."[1]

Summary

To sum up what has been said in this section: if the world is to achieve "an economy of abundance," there must be a large increase of production, e.g. of food, as well as a great increase of consumer's purchasing-power. There must be concerted action to secure reasonably stable prices of primary products, at levels fair to both producers and consumers; and this will have to be coupled with the agreed planning of production on a world-wide scale. There must be concerted action to improve the world's agricultural production. And there must be a large extension of the State's control of industrial production and essential services.

(*c*) "FULL EMPLOYMENT"

There remains the crucial question: What can be done to ensure that "full employment" is steadily maintained? It is of course impossible to discuss this at all adequately in a few pages; but it goes without saying that the government of every industrial country will be judged largely by its success in dealing with this issue. All of us, when we turn aside for a moment from the war effort, ask ourselves whether the post-war years will repeat those bitter pre-war experiences of mass unemployment. For a few years after this war we may expect booming trade, with more work than can be tackled with our manpower and resources. But what will follow? Another great slump? Will millions of men, hungry for work, have to wait again in queues outside Labour Exchanges, "unwanted" in a world urgently needing the wealth which their work could produce? Will the nation again waste its potential wealth by letting its resources of man-power stand idle? If that is not to happen, national, international, and industrial action will be needed.

[1] *The Labour Party and the Future* Labour Party, June, 1943.

The State's Part. A decisive part must be played by the State. On the one hand, the State can do much to prevent and relieve "special" or "structural" unemployment. Special industries or areas will always be liable to find that, owing to some change in demand, there is no longer a sufficient call for their products and services. In such cases, the State will have to accept special responsibilities for easing the transfer of employment from war-work to peace-work. It will have to make provision for the retraining of workers whose special skills acquired in wartime cannot be switched at once on to peacetime service; and standards of living and of health must be maintained during the process of readjustment by means of unemployment insurance.

On the other hand, the State must deal vigorously with "cyclical" unemployment—the mass unemployment that results from a trade depression. That is the main problem. There are two ways of dealing with that. One is the method of piling on protective tariffs and quotas, subsidising exports, cutting wages in the export trades, and deliberately depreciating the exchange value of the currency. That method—the method of restriction at home and trade war abroad—may again be advocated by reactionaries, but it is both intolerable in its social results and ineffectual for its purpose. It cripples the purchasing power and lowers the standard of living of the workers at home, thereby aggravating unemployment in industries that supply the home market. It is sure to provoke retaliation by other countries, and is likely to embitter international relations.

The other method, when a depression threatens, is to promote expenditure at home, whilst maintaining export trade by increased efficiency and by international agreements based on principles of neighbourly behaviour. When the volume of spending is not enough to keep the country's resources amply employed, then the State should stimulate spending by measures to increase the consumer's purchasing power; and the State and other public authorities should borrow money and ensure that it is actually spent on public needs. The Government's programme for post-war road-building is a limited application of this policy; but the policy will have to be carried far beyond this, into fields hitherto reserved in this country for capitalist enterprise, if it is to be reliably effective for its purpose. Such a policy is true economy; for it increases employment and maintains wages in the constructive industries, and thereby increases employment in the industries that produce consumers' goods. Moreover, the spending by the State encourages spending by private owners of capital. The whole policy has the effect of increasing demand, not restricting

it; and it makes the country a good neighbour instead of an "exporter of unemployment" and a menace to its neighbours.

But the policy cannot be effective unless the State can exercise certain controls. It must be able to control the volume of money, keeping it steady when "full employment" is achieved. And it must have such control over a wide field of industry that it can act effectively as regulator of spending and employment. (We say this, recognising that this country is not likely to achieve a completely Socialist economy by a revolutionary change; the community's control over the keys of economic power will be acquired quickly, we hope, but by stages.)

Three warnings must be added. Firstly, no plan of action by the State for the use of the national resources can be effective unless the machinery of government is reshaped for such a purpose. No discussion of this question will be attempted here.

Secondly, industry will have to develop a new fluidity to adjust itself quickly enough to new demands.

Thirdly, national employment policy cannot be fully effective unless it is concerted internationally.

Industry's Part. The State's task in maintaining and directing employment will be unmanageable unless industry in this country makes a great effort to adapt itself to new circumstances. Workers who have acquired skill in one trade will be loath to change over to another; but many will have to do so. Managers will be loath to change a well-tried industrial technique; but the position won in the past by skill and experience will be lost unless they do, owing to competition by more adaptable and up-to-date producers. Whilst some industries will have to undergo a painful contraction, others, such as the building trade, will have to provide for a quick expansion, to meet the needs of a State programme of housing, etc. (and that programme should be a long-term one, so as to give the industry reasonable security against unemployment).

We cannot hope to achieve steady employment during the ups and downs of the post-war crisis unless we can make our productive resources more fluid and adaptable than formerly.

International Action. International, as well as national action, will be needed. For what one nation does about spending and employment may be partly frustrated unless other countries pursue a concerted policy. And action by an international authority can help a good deal to prevent slumps and keep employment steady, e.g. by providing a reasonably stable international currency system, and by lending temporary aid to countries threatened by trade depression.

Control of Investment. Lastly, if we are to achieve full employment of productive resources, we shall have to ensure that investment is regulated and is directed to socially desirable ends. Of course, the flow of investment will continue to be indispensable, at home and abroad; but the community cannot afford to allow this precious fertiliser to be wasted or misdirected; the flow will have to be subject to such control, nationally and internationally, that it will contribute to a broadly-planned "economy of abundance," with the home market getting a fair proportion of the total. As the Food Conference put it, there must be "an orderly management of domestic and international investment."

In the past, private investment was free, generally speaking, to flow anywhere, at the absolute risk and discretion of the investor, in search of commercial profit. Much was thus gained; but much, too, was wasted in hopeless gambles, through lack of knowledge. Very much was, from a social standpoint, misdirected. Moreover, much of the investment in tropic lands was made under conditions which should not be tolerated; in opening up new sources of prosperity, the capitalist investor exposed native peoples to exploitation and social injury, and drained an excessive proportion of the new wealth away from the producing countries. In future, the role of the private investor will be much less. But the need for investment will continue. Indeed, one of the greatest tasks of the coming decades will be to provide for the flow of much capital and brains from the wealthier parts of the world to the poorer parts, under conditions which will safeguard the recipients from exploitation and will ensure the increase of production for home consumption in those countries, and the improvement of social services. Such a policy, prompted not by the capitalist investor's calculations of private profit in the near future but by the expectations of long-term advantages through the levelling-up of standards of living and the opening up of human opportunities, is not just an essay in philanthropy, but a most prudent investment for the world community.

The essential point is that the State must retain control over the flow of investment, so as to ensure that it is timed in accordance with the public need, and directed in ample measure to those ends which the State, as the agent of the whole community, judges to be most socially desirable.

(*d*) Expansion of Exchange

Article VII of the Mutual Aid Agreements calls for "expansion . . . of exchange of goods" and for "reduction of tariffs and other

trade barriers." Point IV of the Charter has the same aim—"to further enjoyment by all States . . . of access . . . to the trade and to the raw materials of the world."

Are these sound objectives?

The Pre-war Breakdown of World Trade

Let us recognise in the first place that a return to such conditions of trade restriction as existed in 1939 is out of the question. For, as a recent Report by a Delegation of the League of Nations has said,[1] "The whole mechanism of international intercourse was jammed and fractured. At the outbreak of the present war there was no general system of conducting trade. There was no general willingness to devise one. . . . In place of a commercial system there existed a mechanism for commercial warfare." The Report added that "Just as there was no world-wide system of trade, so there was no general currency system . . . the world economic system had disintegrated into a system of groups." Such international trade as survived was based in large part on short-lived bilateral agreements, made in the hope of securing some assured, and perhaps exclusive, market. Import prohibitions were clapped on at short notice, prices of home produce were kept unjustifiably high by prohibitions and quotas upon competitive imports, and prices of imports were artificially lowered by means of subsidies. Thus, the exchange of the world's varied produce was choked by trade barriers. As the League Report says, "No one could desire to revive the international economic system of 1939, for there was none—only the ruins of a system. We must look forward."

Assuming then that we must look forward, not back, and that some reduction of trade barriers, as compared with the levels of 1939, is imperative, what principles should govern such reduction? What should be the aim?

Advantages of International Exchange

Firstly, we should recognise the elementary truth that a large exchange of goods and services is desirable. All peoples stand to benefit from a concerted policy of exchange designed to use nature's varied resources and man's capacities to the full for raising standards of living in all countries. Standards of living will be disastrously lowered if each nation-State tries to live as a

[1] "The Transition from War to Peace Economy," *League of Nations Report*, 1943

self-sufficient economic unit. If each country specialises in producing the commodities in which it has the greatest advantages of productivity in comparison with other countries, and if those commodities can be transported and exchanged between the countries, then world output will be increased and standards of living will be raised all round. To keep the nations cooped up in separate cages of self-sufficiency is to waste the diverse riches of the earth.

The Need for Economic Planning

Secondly, to say that self-sufficiency is a fatal doctrine is not to say that the world should aim at *laissez-faire* free trade. The world must look forwards, not backwards; forward to a day in which there will be much deliberate planning of production and distribution, both on a national scale and internationally. The deliberate canalisation of world trade will involve formidable new problems (e.g. as regards comparative costs), and new dangers of embitterment; but those dangers cannot be dodged. The industrialised nations are going to make extreme efforts, dangerous efforts perhaps, to maintain their national income by "full employment"; and the production of primary products throughout the world will not be based strictly and without deviation on the principle of economic division of labour. The level of trade barriers will not be reduced to zero or anything near it; and the international authority of the future will, beyond any doubt, have to recognise that certain measures of national protection are justifiable, e.g. to ease the problem of special unemployment in an industry hard hit by a change of demand, or to secure various non-economic advantages such as the adjustment of the balance between agriculture and industry.

What is essential, if conflict and strangulation of trade are to be avoided, is that the canalisation of world trade should be not simply the resultant of a lot of national policies blindly pulling against each other, but should accord with a concerted plan of production and distribution, broadly based on the principle of division of labour.

The Dangers of Economic Nationalism

Thirdly, Governments must be induced to accept the principle that tariff-making is a matter of international concern, not solely a domestic issue. For if each nation-State retains *absolute* discretion to impose whatever restraints it may choose upon inter-

national trade, unchecked by any impartial judgment as to their effect upon the interests of other nations, then no "reduction of trade barriers" can be expected,[1] and there can be no orderly planning of world production, nor any security for international commerce. Prosperity and peace will be precarious unless the nations will accept such restrictions of economic sovereignty as are necessary to establish a new kind of collective security—security against *the arbitrary use of commerce-prevention as an instrument of national policy.*

What then should be done to reduce the causes that make for self-sufficiency and the strangling of world trade. And what organisation and provisions will be needed to give effect to a concerted policy of expansion of exchange and security of commerce?

Removing Causes of Trade Strangulation

(*a*) *Fears of War.* Firstly, fears of war must be allayed, by the building up of reliable collective defences against aggression. For in a world of political anarchy, the foundations of economic order cannot be built. If nations think themselves dangerously ill-secured against aggression, they will turn to policies of economic self-sufficiency, regardless of the cost, so as to reduce their dependence upon foreign trade.

[1] As an illustration of what happens when tariff-making is regarded as a matter of purely national concern, note what happened about President Wilson's Fourteen Points. In the third of these points, which the President announced in January, 1918, he called for "removal of economic barriers," "equality of trading conditions" and "elimination of discriminatory treatment." (His wording closely resembled that now used in the Charter and Article VII.) But in October, 1918, he explained his demand for "equality of trade conditions" in these terms:

> "No restriction upon the free determination by any nation of its own economic policy, but only that, whatever tariff any nation might deem necessary for its own economic service, be that tariff high or low, it should apply equally to all foreign trade."

That doctrine of absolute sovereignty as regards tariff-making really makes nonsense of the policy of "equality of trade conditions," and it destroys the foundation of confidence upon which any concerted reduction of trade barriers must be built. And Wilson was not alone in this view; it was generally held. Naturally, therefore, his call for a reduction of trade barriers and for the abandonment of discriminatory practices achieved nothing. The Peace Conference of 1919 never even discussed the subject; and although, during the twenty years that followed, international conferences repeatedly recommended "freer and more equitable trade" and Governments declared this to be their aim, never were trade barriers raised so fast or so high (notably by the United States in 1930), and never was discrimination so general and reckless.

(*b*) *Hopes of War.* Secondly, hopes of making a success of aggression must be broken down by the same means—reliable collective defence. So long as a would-be aggressor can hopefully gamble on the chance of being able to get away with aggression, such as Mussolini's attack on Ethiopia, or Hitler's against Poland, for so long self-sufficiency will be a weapon in the armouries of militarism. Hitler used it thus, and so did Bismarck. (When Bismarck set about making Germany independent of imported grain, by his adoption of agrarian protection in 1879, he did so largely in order to prevent the rise of a democratic Germany; he saw that if he could unite the feudal land-owners of East Prussia and the kings of heavy industry by a "compact of iron and rye," he would have forged a powerful defence for the Germany of privilege and militarism which he desired.) Agrarian protection has been apt to grow wherever feudal landlordism has survived, as in Eastern and South-eastern Europe. Wherever democracy has been too weak to protect the general interest of a whole nation against sectional interests, and wherever education has been too backward to provide widespread understanding of the laws of economic fellowship, there protectionism has been apt to grow monstrous, like a cancer.

(*c*) *Economic Education.* Thirdly, there is need for much better understanding of the elementary canons of economic partnership. That may sound a vague prescription, but it is indispensable. If, ignoring those laws of international exchange, some mighty economic Power insists upon pursuing an economic policy that is likely to wreck the welfare of other communities, then other Powers will inevitably be driven to insulate their trade so far as possible, lest it should become dangerously affected by the vagaries of this undependable partner.

It may be that we shall find people in Britain maintaining that this country must by any means capture a colossal export trade, regardless of the lowering of the standards of living that may be necessary to undercut the prices of all competitors; and we may find others arguing, not less absurdly, that Britain (dependent as she is upon certain imports, including much of her food) need not bother about maintaining any substantial exports, but need only concentrate her effort upon securing full employment at home.

We may find that in the United States some responsible people will still argue that their country should continue to export goods, but should import none: "It's your money we want, not your goods." We may find the country which now holds by far the greater part of the world's stock of gold insisting that other

countries must finance their post-war recovery largely by deposits of gold which they have not got and cannot get.[1]

In short, we may find that the world's post-war recovery will be paralysed, and its international commerce blocked, owing to failures of economic understanding. Despite the experience of the years between the wars, the peoples may still be so blinded by economic nationalism as to suppose that commerce must needs be a kind of warfare, not a mutually advantageous exchange, and that "beggar my neighbour" is a paying game. Only courageous democratic leadership and education can overcome such dangers.

Organising the Expansion of Exchange

There remains the question: How can the expansion of exchange be promoted? How can the nations build up what we called collective security against the arbitrary and anti-social restraint of trade?

The following proposals are put forward as a contribution to discussion. (They can only be tentative, since it is impossible at present to estimate what degree of international organisation will be acceptable after the war to the various nations, especially to the United States and to the Soviet Union, upon whose collaboration so much will depend).

(1) *An International Economic Agreement.* Firstly, the United Nations should make an international agreement, "open to participation by all other countries of like mind," formulating broad objectives of economic effort and broad principles which should govern that effort. (The need for such an agreement was recognised, within a limited field, by the Hot Springs Food Conference.)

(2) *An International Economic Authority.* Secondly, an international organisation should be established, to direct and organise the effort to achieve those objectives, e.g. the expansion of world trade, the removal of trade barriers, and the liquidation of difficulties which may have caused the erection of these barriers. This authority should be empowered to

[1] Since this was written, the publication (April, 1944) of an agreed financial plan proposed by British and American experts shows that American expert opinion has, fortunately, moved away from the policy of insistence upon an inflexible gold standard. The place of gold is very much less important in the new plan than in the "White" plan of 1943, and much more compatible with a British home policy aiming at "full employment." It recognises much more effectively the need for rationing and controlling scarce currencies—e.g. dollars. Moreover, it proposes that a country which finds itself persistently in the position of a creditor shall be under an obligation to correct its position.

supervise the application of the agreement mentioned above, and to advise whether particular national measures conform with it. Its functions should at least include study of the facts about trade development, etc., advice about means of promoting trade, etc., and mediation in international commercial disputes and about such matters as the formation of Customs' unions.[1]

If the proposed international organisation is confined, at the outset, to the functions listed above, it will of course have no competence to disallow violations of the agreed standards of behaviour; its power will be advisory and mediatory but not arbitral. Such an authority could render some useful services even though its powers were thus restricted; in particular, its working should help to establish the principle that all matters concerning the application of the economic convention should properly be regarded as matters of international concern. But this development by itself would not suffice to meet the world's need; it is most desirable that, besides the steps proposed above, a third step should be taken at this stage on the road towards "world government for certain purposes."

Prohibitions and Exemptions

Assuming that certain economic practices should be subject to general prohibitions, how can governments be encouraged to accept such prohibitions? Evidently, Governments will be unwilling to do so unless some allowance is made for exemptions in special circumstances. And Governments would be justified in this scruple; for, in a world only beginning to recover from an economic earthquake such as this war, it might be impossible to stick to a strict application of the original code without exposing their people to intolerable injury. (All countries have to reckon with the possibility of a radical change in their balance of payments; and the chief industrial countries, including Britain, will always have to regard the maintenance of "full employment" as a primary interest.) Assuming, then, that there should be agreed prohibitions of certain economic malpractices, and assuming that some provision must be made for exemptions in special circumstances, how can these exemptions be safeguarded against abuse? Obviously, if each Government were to be free to ignore the prohibitions at its own unfettered discretion, the prohibitions would be worthless as a defence of economic order. It is essential

[1] cf. "The Transition from War to Peace Economy," *League of Nations Report*, 1943.

that exemptions should only be allowed when *authorised* by a representative international authority, and not when they are merely *self-judged* by the interested Government.

Here then is an additional proposal:

> (3) Thirdly, the economic convention should specify general prohibitions of certain trade practices. It should, however, provide that exemptions from those prohibitions may be authorised by the international authority, having regard to the circumstances in which the nations concerned are placed, and having regard also to the general principles and standards laid down in the agreement. Signatories of the agreement should be bound to respect these temporary prohibitions unless exemption from them is authorised by the authority; but a right of appeal to another authority (e.g. the Permanent Court of International Justice) might be allowed.

Is it not clear that such a limitation of economic sovereignty is now necessary and prudent as a step towards the mastery of economic anarchy and towards the expansion of international exchange?[1] It is necessary that the liberty of each State to deflect world trade, should be restricted, like other liberties, within such limits as are compatible with the essential liberties of others. But at the same time the provision for authorised exemption is indispensable. If there were no such provision, Governments would either be unwilling to accept any prohibitions at all or else would accept them in a form too vague and limited to be of any significance.

[1] We may note, as welcome signs, that several proposals of this character have lately been put forward, more or less officially. Thus, at the Food Conference (June, 1943) the British Government's spokesman proposed that the United Nations should undertake not to impose quotas on exports of agricultural commodities "except under the control of some authority fully representative of both producers and consumers." That proposal will presumably receive further consideration when the international organisation proposed by the Conference is set up.

A similar tendency appeared in the Keynes Plan for an International Clearing Union, which the British Government published in 1943. The plan proposed that an international economic authority should be established, and that the nations should make an agreed code of economic behaviour, binding themselves not to resort to certain practices in their mutual trade relations. But, in order to give a measure of elasticity to these prohibitions, the international authority should be empowered to authorise temporary relaxations in special circumstances, with the help of such tests as whether the State's account with the Clearing Union persistently showed a disproportionately heavy debit balance. See also the joint Anglo-American proposals referred to in the footnote on page 74.

An Optional Clause?

It may happen that, whilst some States are willing thus to commit themselves forthwith to acceptance of the international authority's judgment, others will hold back. That is what happened as regards acceptance of the jurisdiction of the Permanent Court of International Justice; some States were ready to commit themselves forthwith, whilst others, led by Britain and France, preferred to wait and see. But that does not mean that all advance must necessarily be hung up until a simultaneous move can be made along the whole front. In the case of the Permanent Court, an "optional clause" was annexed to its statute whereby States could commit themselves to acceptance of the Court's jurisdiction in international disputes concerning their rights. (When Britain did eventually decide in 1930, during the second Labour Government, to sign this clause, the number of signatures promptly rose from seventeen to forty-four.) A similar clause might perhaps be annexed to the proposed economic convention, so that acceptance of the international authority's judgment could be extended bit by bit, as fast as the nations are willing to go.

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To sum up. The world cannot afford to resort after the war to such strangulation of international commerce as that which impoverished all peoples before the war. Economic isolation, like absolute political independence, is not even an attractive dream. Nor dare the world risk a reversion to such commercial warfare as that which poisoned international relations before the war. The use of trade restrictions as an instrument of self-judged national policy endangers the foundations of peace. We have therefore suggested that within "a system of general security" there should be established an international economic authority, with an agreed code of economic behaviour; that this code should include prohibition of certain economic practices; and that the nations should be called on to undertake to respect these prohibitions unless a temporary exemption is authorised by the international authority.

3. EQUALITY OF TRADING OPPORTUNITY

In the preceding section we discussed the increase of "access . . . to the trade of the world." Now we come to the question of "access, on *equal terms*," to trade and raw materials. The same principle is referred to in Article 7 of the Mutual Aid Agreements

as "the elimination of all forms of *discriminatory treatment* in international commerce."

Consider, firstly, the scope and limits of these declarations, and then the merits and demerits of the policy.

Scope of the Policy

The undertaking in Point IV of the Charter about "access on equal terms" applies to "all States, great or small." But the undertaking in Article 7 of the Mutual Aid Agreements is more cautiously worded; it calls for "agreed action, . . . *open to participation by all other countries of like mind*, directed to . . . the elimination of all forms of discriminatory treatment in international commerce."

The United Nations thus say in effect that they stand for a certain equality of rights for all self-governing States; they aim at making a world safe for the people of small nations to trade in, without being forced to become vassals of this or that Great Power. That is the very opposite of Hitler's policy of tribal domination.

"*All States . . . victor or vanquished.*" The assurance of Point IV applies to the Axis Powers when vanquished, as well as to the victors. During the last war, the Allies threatened Germany with trade war after the war—a threat which merely served to rally the Germans behind their Kaiser. Mr. Churchill has emphasised that such a mistake should be avoided this time. Speaking on the Charter when he brought it home, he said:

> "Instead of trying to ruin German trade by all kinds of additional trade barriers and hindrances, as was the mood of 1917, we have definitely adopted the view that it is not in the interests of the world and of our two countries that any large nation should be unprosperous or shut out from the means of making a decent living for itself and its people by its industry and enterprise. These are far-reaching changes of principle upon which all countries should ponder."

Mr. Eden, too, referring to the Charter soon after its publication, stressed how important it was, in the general interest, that a defeated Germany "should not become a source of poison to her neighbours and to the world by economic collapse."

This is a sound policy. And, if it were not applied, there would be no hope of the emergence, after the destruction of the Nazi régime, of a Germany fit for full partnership in the community of free nations.

It should be recognised, however, that the policy will not be easy to apply consistently. At first, one of the difficulties will be

that the Germans have ravaged the occupied countries with such incredible thoroughness and brutality; obviously those countries have a just claim to restitution on a great scale, and they will claim, naturally and with much justice, that German trade should not be allowed to get a flying start ahead of those competitors whom the Germans have wronged. Another difficulty will arise in connection with Germany's one-sided disarmament. Point VIII of the Charter contemplates such disarmament for a period after the war, and the United Nations will no doubt insist upon it. But whilst Germany is thus disarmed, the other Powers, especially Britain, the U.S.A. and the U.S.S.R., will still carry a heavy burden of expenditure and labour on armaments. This will mean that there will be an economic handicap in Germany's favour during that period. The size of this handicap in proportion to total national income will not be great, but it will certainly not be negligible. This difficulty may be mitigated to some extent by putting upon Germany an equivalent burden of another kind; she might be required to supply goods and services to the countries which she has wronged, as a form of restitution. But the problem may continue to be embarrassing until it becomes possible to achieve that general disarmament, within a "system of general security," to which Point VIII looks forward.

Limitations of the Policy

So much for the range of the policy. Now for its limitations.

International Sanctions. There are two reservations in Point IV. One of these, though important, has attracted little attention. The assurance about "access on equal terms" does not extend to *all* trade and raw materials, but only to such as "*are needed for their economic prosperity*" by the States in question. Thus, though the Charter does not explicitly provide for sanctions against aggression, it leaves the door open for withholding trade and raw materials which might promote aggression. This is a salutary reservation. For whilst discrimination may be dangerous to the common peace when used by nations as an instrument of their self-judged national policy, discrimination should be recognised as a public duty when used as a sanction, internationally authorised, to prevent or stop peace-breaking.

"*Existing obligations.*" The assurance in Point IV is qualified by the word "with due respect for their existing obligations." Manifestly, a reservation so broadly phrased could be so interpreted as to render quite worthless the Charter's declaration of intention about "access on equal terms" and the Mutual Aid

Agreement's declaration about "elimination of all forms of discriminatory treatment in international commerce." What, then, is the justification for the reservation and what is likely to be its effect?

Some such reserve was inevitable in the circumstances. For Mr. Churchill was not free, when signing the Charter, summarily to throw over "existing obligations" such as the Ottawa Agreements about Imperial Preference.

As for the probable effect of the reservation, it appears from the British Government's statements on the subject that it may be great. On April 21, 1944, the President of the Board of Trade said in Parliament that "it was generally agreed in all parts of the House that Imperial preferences had been of quite definite value both to us and to the Dominions, particularly in the latter part of the period between the wars, where British goods by all sorts of obstructions were shut out from other markets." On April 22, Mr. Churchill added that the words of the reservation in Point IV of the Charter "are limiting words, and they were inserted for the express purpose of retaining for the House of Commons and the Dominions the fullest possible rights and liberties over the question of Imperial Preference." As for the words in Article 7 of the Mutual Aid Agreement (which was not explicitly qualified), Mr. Churchill told Parliament that he did not agree to them "without having previously obtained from the President an assurance that we were no more committed to the abolition of Imperial Preference than the American Government was committed to the abolition of their protective tariff."

All we can say, therefore, by way of forecast, is that the principle of equality of access, the elimination of "discriminatory treatment," will certainly not be rigidly applied; but that its affirmation is these documents should have an important influence in future negotiations intended (as Mr. Churchill said) "to promote the greatest interchange of goods and services between the various communities."

Should all "Discriminatory Treatment" be "Eliminated"?

We come now to the question of principle: Should we accept without reserve the doctrine that "all forms of discriminatory treatment in international commerce" should be "eliminated"? Should the policy of "access on equal terms to the trade and to the raw materials of the world" be subject to any qualifications beyond those already indicated in Point IV?

All discriminatory trade practices involve certain dangers to the

community of nations; some such practices should be prohibited absolutely, and some conditionally; but *some discrimination is absolutely indispensable.* Without it, there would be no effective planning of the world's economy.

(1) *Colonial Preference.* One of the most substantial objections to discrimination concerns colonial preference. When an imperial Power exploits its privileged position to force its colonies to trade with it more exclusively than they would otherwise do, or when it forces a colony to erect discriminatory trade barriers against some country which the imperial Power regards as a commercial rival, then it may fairly be said that such discrimination is unjustifiable and dangerous. It is liable to breed resentment, and may tempt Powers which have no colonial "possessions" to try to carve out closed economic empires for themselves.

Clearly, this kind of discrimination, imposed by imperial Powers in their own interest, ought to be disallowed.[1] It is already disallowed in those territories which are held under Mandates (Class A or B): for the League of Nations Covenant recognised that the principle of equality of trading opportunity should operate in such colonies in favour of all Members of the League. This principle should be extended to all Colonial territories not yet ready for self-government, instead of being confined to the Mandated areas only. Logically, it is just as valid for, say, Uganda or Kenya as it is for Tanganyika.

The essential point is that all nations should have legal and administrative equality of economic opportunity in colonial lands. To establish this principle is to remove the main *economic* grievance of countries which want colonies and have not got any. (Of course, it does not affect grievances based on grounds of prestige or strategy.) Furthermore, the principle is advantageous to the native peoples, since it leaves them free to buy and borrow in the cheapest market, and to sell in the dearest market.

(2) *Raw Materials.* Much nonsense has been talked about "access to raw materials"; and the argument that Powers which "have not" colonies are at a serious disadvantage in this respect in comparison with colony-holding powers has been greatly exaggerated.

(*a*) As regards the *supply* of raw materials from colonial lands, it should be recognised that the total amount of all commercially

[1] This is not to say that imperial Powers should in no case extend special advantages to their colonies, as Britain has in according favourable terms for the import of sugar from the West Indies. That is in effect a subsidy in the interests of the colony, not a restraint imposed in the interests of the imperial Power.

important raw materials produced in all the colonial lands of the world is only a small fraction of world production. (In 1936 it was about 3 per cent.) But two of these materials are of high value —tin and rubber. And the military consequence of losing command of these sources of supply is, as we now realise only too well, embarrassing; it would be so if Malaya and the Dutch East Indies were independent allies instead of colonies.

As for the *supply* of raw materials from the world in general, three kinds of difficulty have been experienced or feared.

Firstly, countries which produce raw materials might arbitrarily restrict their export by prohibitions or export duties. The remedy for this is an international agreement, prohibiting any such prohibition or restriction except in pursuance of an international regulation scheme; with a proviso that the consumer's interests as well as the producer's must be effectively represented in the administration of any such scheme. This was recommended by the Economic Committee of the League of Nations in December, 1937. It should be added that the difficulty is not one which has hitherto proved substantial. Producers have been only too anxious to sell to any one who would buy their stuff.

Secondly, some countries have, so their critics allege, failed adequately to develop the resources of raw materials within their territory.

Thirdly, there have been cases in which controls of raw materials by groups of producers have been abused. There is obviously a danger in the exercise of a monopolistic control which allows producers to restrict sales and force up prices so as to extract monopoly profits from consumers. Such abuses have occurred, so it is claimed, in the case of rubber and tin. The remedy here is twofold. International restriction schemes, whether in colonial lands or elsewhere, should be submitted to supervision and control by an international authority on which the consumer's interest as well as the producer's should be effectively represented. Furthermore, it should be provided that "foreigners should have the same rights and facilities as nationals for developing the natural resources both of sovereign countries and of colonial territories, subject to their obeying the laws and regulations of the countries concerned." This was a recommendation of the League's Economic Committee in 1937.

(*b*) There remains the much more important problem which arises from the difficulty which some countries have found in making *payment* for raw materials. If tin, for instance, is produced in a country which is within the sterling *bloc*, then that tin can only be bought by countries outside the sterling *bloc* if they can

obtain enough sterling to pay for it. The remedy here is to establish an international currency system, with the help of an international bank, and to promote the exchange of goods and services on lines suggested in the earlier section about Expansion of Exchange.

Economic Planning

We have seen that some kinds of "discriminatory" treatment are contrary to the interests of the community of nations, and should be barred. But there are some "discriminatory practices" which will certainly persist and should be recognised as legitimate.

It is certain that, after the war, Governments will have to take steps to prevent excessive fluctuations of exchange rates and dangerous movements of capital. And it is certain that the return towards multilateral trading will have to be gradual.

Before the economic crisis in the nineteen-thirties, world trade was still to a large extent healthily multilateral; it could still move on a more or less circular route. Thus, Britain had an export surplus in her trade with tropical countries; those countries had such a surplus with the United States; so had the United States with the Dominions and Argentina, and these countries had such a surplus with Continental Europe, and Europe with Britain. But after 1931 that multilateral system was knocked out of shape by the collapse of the gold standard and by the spread of self-sufficiency in Germany and elsewhere. By 1939 the system of international trading was in ruins. After this war, the system will at first be still more distorted, owing to the effects of war. And so all the war-impoverished countries, whether they have a State-controlled economy or not, will be compelled to control their imports, at least during the transitional period, so as to concentrate their limited purchasing power upon the most necessary imports. All of them will be compelled to maintain economic controls; all will be short of dollars; all will need to prevent excessive fluctuations of exchange rates. And that means that certain kinds of "discrimination" will certainly continue during the post-war transition.

Moreover, it appears safe to assume that some kind of discrimination, some deliberate canalisation of international trade, will certainly continue after the transition period is ended. For the world is not going back to *laissez-faire* free trade; it is going forward towards a planned international economy. Nations will plan their foreign trade more consciously than ever before, and for that purpose they will have to maintain certain controls.

Industrial countries, such as Britain, will be specially sensitive to the need for such planning as will best serve to ensure "full employment." It is no good saying that all this conscious designing of the pattern of world trade is anti-social and should be prevented; the need for such planning must be frankly admitted and provision must be made for co-ordinating national plans with the help of an international authority.

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To sum up. Many forms of discrimination should be disallowed. An international agreement, prohibiting certain practices, such as was recommended by the Economic Committee of the League of Nations in 1937, would be valuable. But discrimination cannot be disallowed altogether. In particular, it will be necessary to maintain discriminatory exchange controls after the war. And if certain discriminatory practices are to be disallowed by an international convention, it will presumably be found necessary to empower the international authority to authorise exemptions in special circumstances (as was suggested on p. 76).

4. "FULLEST COLLABORATION"

Point V declares an intention to aim at "fullest collaboration between all nations in the economic field," and it selects for emphasis three aims; "improved labour standards," "economic advancement," and "social security."

For all these purposes the International Labour Organisation will be an indispensable instrument. Mr. Eden has said that "The I.L.O. must be strengthened and developed. I should like to see it become the main instrument for giving effect to Article V of the Atlantic Charter."[1] President Roosevelt made a similar declaration in addressing the Conference of the I.L.O. in Washington in November, 1941. These statements do not imply any extension of the competence of the I.L.O. as laid down by its existing constitution. For the preamble of that constitution says that it is the I.L.O.'s function to contribute towards universal peace (which, it points out, can be secured only on the basis of "social justice") by working for the elimination of "conditions of labour . . . involving such injustice, hardship and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperilled." The I.L.O. is charged to aim at reforms concerning conditions of work; and its

[1] December 2, 1942.

efforts to secure such reforms throughout the world have achieved a remarkable measure of success. Further, the I.L.O. was directed to work for the establishment of various forms of social insurance; and here too its efforts have had much success. But the I.L.O. has much wider tasks than these. The Preamble to its constitution charges it with the task of securing "the *prevention* of unemployment," "the provision of an adequate living wage" and "the regulation of the labour supply." In these respects the I.L.O. has hitherto made little or no headway. It may be that the existing constitution is inadequate to allow the Organisation to work effectively for these purposes; but the failure has been due not mainly to any constitutional defects, but to the unwillingness of the nations to implement a policy of "fullest collaboration between all nations in the economic field."

It may well be that the task of improving "conditions of labour" and promoting "social insurance" will not remain of sufficient importance to justify permanently the maintenance of separate departments of government. But it is certain that such tasks as "the prevention of unemployment," "the provision of an adequate living wage" and "the regulation of the labour supply," which are of fundamental importance, cannot be achieved solely through the agency of any department, whatever its title. It may be found desirable and practicable to merge the existing I.L.O. in some international department of economic and social affairs. But in any case such developments will not imply any essential extension of the I.L.O.'s functions as outlined in 1919, and they will not meet the need unless there is a new readiness among Governments and peoples to act together in economic and social fields for the general advantage.

The Economic Section of the League of Nations, with a very small staff, has in the past rendered great service; and even now, during this war, it is maintaining that service by a series of invaluable publications. The past achievements of the I.L.O. and the League in the economic and social field are far too little known, and the opportunity for further service by such means is far too little realised. It is a deplorable fact that neither the I.L.O. nor the League Secretariat in America were invited to send representatives to the Food Conference in June, 1943, although that Conference was to a large extent an outcome of work initiated by the League in 1935.

It should be recognised also that the future international authority will need a much more ample budget for its world services than the League and I.L.O. could ever look for. (The normal expenditure for the League, I.L.O. and Permanent Court,

for all the members put together, was about £1½ millions in a normal year. One War Weapons Week in one town of the size of St. Albans raises as much as the entire contribution of the British Empire to the League, I.L.O., and Permanent Court for five years; so if anyone still dares to argue that such expenditure was too costly, he must have a poor sense of proportion.)

The most essential reforms in the field of labour and social justice cannot be achieved without concerted economic action on an international basis and without the international pooling of information and experience. As for what can be done nationally in the field of social security,[1] the Beveridge Report can justly claim that its proposals would be a practicable contribution towards achievement of that social security which is named in this Point of the Charter. "The proposals cover ground which must be covered in one way or another, in translating the words of the Atlantic Charter into deeds. They represent, not an attempt by one nation to gain for its citizens advantages at the cost of their fellow fighters in the common cause, but a contribution to that common cause."

5. THE FOUR FREEDOMS

President Roosevelt, in his Message to Congress on January 6, 1941, made the declaration which has come to be known as "The Four Freedoms." It has received such widespread welcome that it may appropriately be taken into account together with the economic and social programme of the Atlantic Charter and Mutual Aid Agreement. Here is the text:

"In the future days, which we seek to make secure, we look forward to a world founded upon four essential human freedoms:

"*The first is freedom of speech and expression—everywhere in the world.*

"*The second is freedom of every person to worship God in his own way—everywhere in the world.*

"*The third is freedom from want—which, translated into world terms, means economic understandings which will secure to every nation a healthy peace-time life for its inhabitants, everywhere in the world.*

[1] The term "social security" has rather different connotations in different countries. In the United States it is considered as meaning primarily insurance against unemployment. In Latin American countries it stands rather for insurance against sickness and invalidity. Here it means something more than insurance against the effects of certain evils; it means security, as far as possible, from the evils themselves, i.e. *prevention* of disease and unemployment.

"The fourth is freedom from fear—which, translated into world terms, means a world-wide reduction of armaments to such a point and in such a thorough fashion that no nation will be in a position to commit an act of physical aggression against any neighbour—anywhere in the world."[1]

As a sequel to the Four Freedoms speech, we may note the Three Power Declaration of Moscow (November, 1943) about the future of Italy. The Foreign Ministers of Britain, U.S.A. and U.S.S.R. declared that Fascism must be utterly destroyed and that the Italian people must be "given every opportunity to establish governmental and other institutions based upon democratic principles"; and they agreed that "freedom of speech, of religious worship, of political belief, of Press and of public meeting shall be restored in full measure to the Italian people, who shall also be entitled to form anti-Fascist political groups."

General Comments

Before considering whether these four points are sound so far as they go and adequate as a general indication, two general points should be noted.

Firstly, there never was a time when it was more important and opportune to assert the proper rights and liberties of the individual, and to consider how these can best be assured. For the United Nations are now on the way to defeating three totalitarian régimes, whose greatest crimes—apart from the making of this war—has been their assault upon individual liberties and rights.

[1] The President added: "That is no vision of a distant millennium. It is a definite basis for a kind of world attainable in our own time and generation. That kind of world is the very antithesis of the so-called "new order" of tyranny which the dictators seek to create with the crash of a bomb.

"To that new order we oppose the greater conception—the moral order. A good society is able to face schemes of world domination and foreign revolutions alike without fear.

"Since the beginning of our American history we have been engaged in change—in a perpetual peaceful revolution—a revolution which goes on steadily, quietly adjusting itself to changing conditions—without the concentration camp or the quicklime in the ditch. The world order which we seek is the co-operation of free countries, working together in a friendly, civilised society.

"This nation has placed its destiny in the hands and heads and hearts of its millions of free men and women; and its faith in freedom under the giudance of God. Freedom means the supremacy of human rights everywhere. Our support goes to those who struggle to gain those rights or to keep them. Our strength is in our unity of purpose. To that high concept there can be no end save victory."

Now comes the time when those derided rights must be vindicated and when opportunity must be given for the regeneration of those murdered liberties. Not only "the destruction of Nazi tyranny" will be needed, but also the example of free countries in applying progressive standards of personal liberty.

There is another, more important, reason why special attention should be paid to this matter now. The post-war world will be a world in which the control of power will be highly organised—a world, therefore, in which there will be special need for safeguards of individual liberty. Those controls may be held by sectional interests, and used for private ends; or they may be held by the community or its responsible agents, and used for the common welfare; but in any case there will be far-reaching control and a lot of planning. That does not mean that the essential liberties of the individual must needs suffer; on the contrary, efficient government is an indispensable condition for general liberty. But it does mean that the community will have to take special care that the extension of control does not involve diminution of essential liberties.

Secondly, a declaration of this kind, intended to apply to the whole world, must necessarily be formulated in very general terms; and such declarations of principle, however exalted in sentiment, are likely to yield nothing but scepticism unless there is the resolve and the power to give effect to them, with a realistic appreciation of the circumstances which condition action in different parts of the world.

Turn now to the first of the four points.

1. *Freedom of Speech.* "The first is freedom of speech and expression—everywhere in the world."

Here, in John Milton's country, we have a long tradition of freedom of opinion, speech and expression for the individual. We know that without this freedom the spirit of man is shackled, and the writer and thinker cannot do the best work of which he is capable. Here, too, in comparative security behind the protection of our moat, the sea, we have had centuries of practice in political democracy; we have learnt that, without freedom to express opposition to the principles and policies of the Government of the day, democracy must remain always exposed to dangers of excess and always cut off from a vital source of energy. No one who has not lived in a free country and then in a country subjected to totalitarian censorship can fully realise how stifling and injurious is the effect of such suppression of criticism of the leader or of the party. Here too, during the lifetime of the League of Nations, we have had occasion to realise that a peaceful

commonwealth of nations cannot count upon steadfast and effective support by any country whose people does not have ready access to ample and undistorted information. A public opinion which is free to inform itself may come to a wrong conclusion; "the voice of the people" is not always "the voice of God." But a people which is cut off from the supply of clean news and informed opinion, a people which is forced by its Government to endure "the disease of orthodoxy"—such a people cannot even learn to take its part as an equal in the fellowship of free peoples.

Every person should be free to speak, write or publish whatever he thinks fit, provided that this does not infringe such rules as are genuinely necessary in the interests of public order or of decency; and the rights of public assembly and of association should be recognised and protected up to the point where such assembly or association would truly endanger public order.

In saying this, we should recognise that the border line between what is necessary in the interests of public security and what is proper in the interests of freedom of speech must needs vary from time to time and from country to country. We should recognise, too, that the principle has not been fully applied in practice in our own country, though it has been maintained here without any major surrender even during this total war. And we should recognise it has not been applied adequately in the British Commonwealth and Empire,[1] and that especially in

[1] As regards civil liberties in general, their infringement in the British Colonial Empire has been of two kinds, negative and positive, the first being the most obvious and most widespread.

Negative infringement consists in the denial to the inhabitants of political power and responsibility, and this almost always results in indirect curtailment of civil liberty. Ceylon is almost the only colony with a large measure of responsible government, and at the other end of the scale are the African colonies, in which Africans have practically no representation on the central government and, except under indirect rule, very little in local government. It is essential that this should be altered.

Direct infringement of civil liberty is widespread in African colonies, but exists elsewhere. The ordinances dealing with sedition and the importation of literature were before the war very harsh and gave officials too much power *which was not always used wisely. Individuals were imprisoned or deported,* and native associations broken up, because they showed signs of embryonic, and therefore necessarily sometimes callow, political consciousness. During the war Defence Regulations have given colonial governments additional powers of arrest, detention and deportation. The powers have been harshly used for detention or imprisonment of responsible Labour leaders, trade union officials, or the members of native associations, in Jamaica, Sierra Leone and Kenya.

The worst form of infringement of civil liberties is the colour bar in African colonies. It takes many different and often subtle forms and results in the denial of the rights of full citizenship to Africans living on African soil. For instance, in

India the departures from the principle of freedom of expression which have been made on grounds of public security have been indefensibly wide.

As for our friends of the Soviet Union, should we not frankly avow our conviction that they have much to learn from our practice of freedom in this field, just as we have much to learn from their application of democratic and Socialist principles in the economic field? We should recognise that a period of enforced conformity to the party line was necessary during the consolidation and defence of that Revolution which has done so much to liberate the energies and genius of the diverse peoples of the Union. But we should also be less than honest if we did not have the candour to affirm our deep hope that, as those peoples gain confidence in the effective goodwill of other peoples, the long defensive isolation of the Russian continent will increasingly give place to a fertilising interchange, and the ruthless suppression of critical opinion will give place to a much greater freedom of speech and expression.

2. *Religious Freedom.* "The second is freedom of every person to worship God in his own way—everywhere in the world."

We shall all agree, presumably, that this declaration is perfectly sound, so far as it goes. It is of cardinal importance. But the principle might well be more widely stated. For the sense of awe and reverence in face of the mystery of creation is not confined to those who worship a God; and the eternal question—What is Life all about, what are we here for—may be answered in many ways, not all of them consonant with the tenets of an organised religious faith. Every person should be entitled to hold any belief, religion or creed, and to practise it privately or publicly so far as this is not contrary to public order or decency. And this freedom in matters of belief and unbelief should be genuine, not merely formal. For instance, a teacher who cannot subscribe to the Christian religion should not be debarred thereby from appointment to a teacher's post; and the teaching profession should be so organised that appointments to all educational

Kenya and some other colonies the pass laws, which apply to Africans and not to Europeans, restrict liberty of movement of Africans; the primary object is the economic interests of Europeans, the primary effect is the economic servitude, the secondary effect the social inferiority, of the African. Other forms which the colour bar takes with the same disastrous results are: the relegation of Africans to native reserves; the barring of Africans from acquiring or occupying land in the Highlands of Kenya or in certain parts of towns; the inequitable treatment of native education by some colonial governments in contrast to their generous treatment of European education; and the economic colour bar in all its many forms, which results in restricting Africans for the most part to unskilled labour.

positions, except those which involve specialised religious teaching, should be genuinely open to applicants irrespective of their religious views. Moreover, religious freedom is impaired wherever the State confers special privileges upon some particular Church, e.g. by subsidising it directly or indirectly at the expense of the taxpayers in general.[1] The State's power should not be used so as to favour one religious denomination more than another.

3. "*Freedom from Want.*" "The third is freedom from want—which translated into world terms, means economic understandings which will secure to every nation a healthy peacetime life for its inhabitants, everywhere in the world."[2]

Without "freedom from want," without a measure of economic independence, the other freedoms remain unreal. A man cannot be emancipated simply by giving him the right to vote by secret ballot; he cannot afford freedom of speech, or the leisure in which to stretch his faculties and enjoy the world's inheritance, if he has no ease of mind about livelihood. The economic and social foundations of democracy are not less important than the political ones. But we will not add here to what has been said in the preceding sections about the ways of achieving such freedom.

4. "*Freedom from Fear.*" "The fourth is freedom from fear—which, translated into world terms, means a world-wide reduc-

[1] This principle is regarded in the United States as one of the essential guarantees of real freedom of religious belief; it is implied in the First Amendment to the Constitution, which provides that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof." The same guarantee is embodied in the Constitution of each of the forty-eight states of the Union. Thus, New York State's Constitution says: "Neither the State nor any subdivision thereof shall use its property or credit or any public money, or authorise or permit either to be used, directly or indirectly, in aid or maintenance, other than for examination or inspection, of any school or institution of learning wholly or in part under the control or direction of any religious denomination, or in which any denominational tenet or doctrine is taught."

[2] This is the point which Mr. Henry Wallace, Vice-President of the United States, would spell out as follows:

"1. Freedom from worry about a job.
"2. Freedom from worry about a dependent and poverty-pinched old age.
"3. Freedom from unnecessary worry about sickness and hunger.
"4. Freedom from strife between workers and business men, between farmers and business men, and between workers and farmers.
"5. Freedom from strife between the races and creeds.
"6. Freedom from fear of bankruptcy caused by overproduction of necessary materials.
"7. Freedom for venture capital and for inventors of new ideas to expand production of need goods without fear of repressive cartels, excessive cartels, excessive taxation, or excessive Government regulation (September, 1943)."

tion of armaments to such a point and in such a thorough fashion that no nation will be in a position to commit an act of physical aggression against any neighbour—anywhere in the world."

As was said in the Four Power Declaration of Moscow, the peace must be such as will involve "the least diversion of the world's human and economic resources for armaments." For it will be a menaced, starveling peace if, after the smashing of the German and Japanese war machines the world's brains and resources have still to be poured, in an unending stream, into the competitive invention and amassing of even vaster tanks, costlier battleships, and deadlier aerial methods of bombing and burning cities.

But this must be added. To suppose that freedom from fear of aggression can be secured by disarmament alone would be a most dangerous illusion. There is no prospect that all-round, supervised disarmament will itself be generally acceptable except within a powerfully backed system of collective defence against aggression. The President's formula was over-simple. Competitive armaments are not only a contributory *cause* of international fears; they are in great part a *consequence* of such fears. It is no good advocating general reduction of armaments or the abandonment of economic war-policies unless one is prepared to help in disarming the fears which prompted them. For disarmament is a function of world order.

The Four Freedoms Supplemented

Reviewing the President's four-point programme as a whole, we may note that it puts together items which are radically different. "Freedom from fear," in the restricted sense in which the phrase is here used, is one of the aims of policy in the field of national power and defence, and can only be achieved through international agreement; whereas freedom of worship is a right of the individual which can be secured through national law and custom. But it is true that all these diverse kinds of "freedom"—riddance of certain anxieties and assurance of certain opportunities—have their value for the individual.

Evidently, the President's list is very incomplete. If the basic rights of the individual are to be summarised, here are some items that might well be added. The State should protect the life and liberty of every person within its territory, and none should be deprived of life or liberty without due process of law. All remaining vestiges of slavery should be abolished, by national and international action, and all forced labour for the advantage

of sectional interests.' The State should ensure to all persons free access to judicial institutions and equal protection of their rights; the penalties that may be imposed by the courts should be defined by the criminal law, not left to the courts' discretion; and no person or institution should be above the law.

If such rights of personal freedom are to be real, the old legalistic conception of the absolute rights of private property must be modified. In a real sense every person is a joint inheritor of the resources and powers accumulated by past generations; and the supply to every person within the State of decent standards of living, education and medical care should be a first charge upon the resources available to the State. There is, however, a wide field within which rights of private property can properly be maintained without detriment to the interests of the community. The State should not arbitrarily confiscate private property; and no one should be deprived of his property without due process of law.

These are some of the essential liberties, though there is much more, of course, that might be said, e.g. about rights of citizenship, rights of conscience, freedom from torture and inhumane prison treatment, the complex problems of racial equality, and about the duties which are the proper complement of all such rights.

What can be Done

There remains the crucial question: What can be done to assure enjoyment of these rights at home and "everywhere in the world."

Our primary duty in this respect is, of course, at home. We have to be sure that our own house is in order here in Britain, and we have to aid all those diverse communities overseas in which Britain has special responsibilities. Our duty is positive as well as negative; we have to expand the opportunities of freedom in every field, besides remedying manifest abuses. In so far as we prove by action that we are thus protecting and extending liberties at home and in the Empire, our example will be a weapon in the hands of fighters for freedom everywhere. And if we fail to do so, we shall not only be compromising one of the aims for which our people have fought, but shall also put a strain upon the future partnership of the democratic nations.

This book has repeatedly emphasised that behind the laws of peace there must be power—preponderant power—at the service of a representative international authority. But relations between States are not simply relations of power. Force is indispensable for protecting the structure of the international authority; but

that structure will only survive and grow if it enables the peoples to grow together in freedom, sharing their inheritance. Indeed, the "great alliance" which must protect the world against lawless violence will only hold together if it be cemented by sympathies as well as by common anxieties; nothing will more surely sap the foundations of this alliance than a denial of essential freedoms in any one of the chief Allied countries which would alienate the sympathies of free men in the other Allied countries. The United Nations will cease to be united against war if they fail to stand together against tyranny.

The task of defending and expanding freedom at home is simple compared with the task of concerting action to assure "essential human freedoms" "everywhere in the world." Nothing effective can be done in this field unless we begin by recognising that the traditional boundary between matters of international concern and matters of purely domestic concern is a shifting boundary. President Roosevelt's declaration was not confined to the United States; every sentence of it referred to a freedom which should be realised "everywhere in the world." That declaration was merely a piece of deceptive rhetoric if it did not mean a repudiation in some sense of the old blood-stained doctrine: "Am I my brother's keeper?" If we recognise that the world is becoming physically one neighbourhood, and should become one commonwealth, then we cannot maintain unaltered the old assumption that what one Government chooses to do to its nationals concerns nobody except the Government and people in question. It was natural enough that that doctrine should become established in a world in which States retained absolute sovereignty, with freedom to use war as the instrument of their national policy. Under those conditions, no Government, unless it happened to be able to command almost unchallengeable power, would risk so much as a protest to another Government against violations of the rights of man. (Gladstone's protests against atrocities in the Balkans and elsewhere were an outstanding exception. Have we not seen in our own day a weak British Government keep silence for six years about the terror and concentration camps of Nazi Germany, lest a protest should prejudice the policy of appeasing those responsible for wholesale murder and torture?) The fact is that only an international authority which commands great power and can speak with unique authority as guardian of the rights of "the common man" can do what is needed to safeguard those rights "everywhere in the world." No Government can do the job single-handed. The protective action that is needed must be *denationalised*. Moreover, the obligation to apply certain

standards of human liberty must be accepted *generally*, not simply imposed upon some selected States. For if the obligation is not general, the States which are called on to accept it are likely sooner or later to resent being put in a special category. (Poland, for instance, was bound by a special minorities treaty after the last war; but the fact that its obligations were not general, but were laid specifically upon Poland, presently served as an excuse for repudiation of its obligations). Moreover, if the obligation is not generally accepted, the moral foundations for collective action to enforce the obligation will be weakened. Thus, countries which are already fulfilling all the obligations in question ought not to advance that as a reason for refusing to endorse the general undertaking; they should accept it without hesitation, so as to give as much authority as possible to the collective system.

An international organisation can be of great service in the field of *education* and this is now being planned. There should be a generally accepted charter of rights of *prisoners*. The international authority should develop its own *broadcasting* service on a great scale, for the dissemination of news; this can contribue to the solution of one of the pressing problems of democracy—the maintenance of a Press which treats "facts as sacred, comment as free." Reference has been made in earlier pages to many other international services, notably those of the I.L.O., through which the essential freedoms can be expanded and protected by international as well as national effort. The beginnings made by the League of Nations and I.L.O. in these fields already suffice to show that this is a practicable and fruitful enterprise—provided always, of course, that those concerned are willing to think of individuals as human beings and not simply as Englishmen, Germans, Chinese.

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The world is divided vertically into nation-States, but it is also divided horizontally, across frontiers and races. Remembering always that horizontal division, let us see to it that those who are hungry, those who are denied the substance of freedom, have the help of a new kind of "collective security," for the defence of chartered liberties. If we fail in this, our children will be condemned to inherit a world "half-slave, half-free."

CHAPTER VII

"FREEDOM FROM FEAR AND WANT"

Point VI. "*After the final destruction of Nazi tyranny, they hope to see established a peace which will afford to all nations the means of dwelling in safety within their own boundaries, and which will afford assurance that all the men in all the lands may live out their lives in freedom from fear and want.*"

THERE IS NOTHING in this point, except the reference to "Nazi tyranny," which is not implied elsewhere in the Charter, but the text ties the whole Charter together in a simple and memorable phrase. To sum up human aspirations in enduring words, as Abraham Lincoln and other great democratic leaders have sometimes done, can be very useful if treated as a challenge to action.

DESTROYING TYRANNY

Nazi tyranny must be destroyed. That is a fundamental need; it governs every word of the Charter, every hope for a decent future. But, of course, the tyranny that has to be destroyed is not only Hitler's. "Fascism and all its evil influence and emanations" must, as was said in the Moscow Declaration about Italy, "be utterly destroyed." Mussolini was Hitler's forerunner in aggression and in the suppression of elementary liberties; and the Japanese militarists, and General Franco, have learned the arts of tyranny in the same school. Everywhere, including our own country and the United States, there is need for perpetual watchfulness in defending and expanding such civil liberties as our forebears won at such great price. Nor is the defeat of tyranny ever "final." There will never come a day when this struggle can be written off as finished.

COMMONWEALTH *VERSUS* TRIBALISM

Throughout the Charter one word occurs again and again with impressive emphasis. It is the word "all." "*All* nations." "*All* the men in *all* the lands." This emphasis is equally striking in President Roosevelt's "Four Freedoms" (see p. 86). On the one hand, Hitler leads his people into battle for the supremacy of the

German tribe. On the other hand, the United Nations stand for an idea of commonwealth—a community of peoples, each distinct in character, but all free, under law, to use their gift of life without fear of aggression, and without crippling handicaps of poverty. As against Hitler's conception of a world mastered by a Herrenvolk, the United Nations set—or should set—the conception indicated in the prayer which President Roosevelt included in his message to the American people on Independence Day, 1941: "We are all children of the earth. Grant us this simple knowledge."

Collective Security, Political and Economic

Point VI, like Point VIII of the Charter, implies that security *against aggression and against want cannot be achieved without* collective action. No one nation can do for itself all that it needs; no nation can afford to cut itself off from the benefits and responsibilities of partnership in the organised community of nations.

Point VI recognises also that collective security against aggression is bound up with collective security against poverty and social injustice. The peace-makers of Versailles were much too blind to the importance of economic and social justice as an element in the problem of securing freedom from fear; they did not sufficiently appreciate that no peace, however just in its provisions about such matters as frontiers and armaments, will prove durable unless the economic and social foundations are such that all the peoples concerned will come to prefer to maintain the peace rather than to destroy it.

But in avoiding the error of Versailles, we must be careful not to make the converse error. For the foundations of peace and justice are both political and economic; neither suffices without the other. Presently, the nations will have to take steps to restrict "autarky"—the policy of self-sufficiency; but they cannot hope to succeed if they confine their effort to the economic approach, making no contribution to the suppression of the war system which is one of the causes of autarky. Presently, too, the nations will have to resume the task of checking competition in national armaments, by some agreed limitation, reduction and supervision; but they will fail again and again to achieve this unless they treat national disarmament not as an isolated problem but as a part of the larger problem of ensuring that "the organised major force of mankind" shall be available, at the crucial time and place, to protect the world's covenants of peace. The experience

of the United States between the wars should serve as a warning to all that no country, however mighty and however benevolent in intention, can hope to play an effective part in the field of economic and social peace-building whilst pursuing in the political field a policy of isolation and "no commitments."

CHAPTER VIII

FREEDOM OF THE SEAS

Point VII. "Such a peace should enable all men to traverse the high seas and oceans without hindrance."

AT FIRST SIGHT, this sentence may seem to be too vague to be of any importance. Some have dismissed it as being merely a concession to American sentiment about freedom of the seas. But when Point VII is read in conjunction with Points VIII, VI and IV, its meaning becomes sufficiently clear.

"FREEDOM OF THE SEAS"

Note, firstly, that the text does not say that "all men" should be free in all circumstances to traverse the seas "without hindrance"; what it says is that the "peace" is to be such as will "enable" them to do so. Those who contract out of this peace (defined in Point VIII as "a system of general security") will be denied this chartered freedom, and will therefore be accorded only the rights proper to an outlaw. But to those who respect that peace and help to preserve it, the community of nations is to promise the protection of its power, so that they may be "enabled" to use the world's seaways on their lawful occasions.

What are the chances that such a doctrine of freedom of the seas will be accepted by the United States and by Great Britain?

(*a*) *American Policy*

When President Roosevelt signed the Charter in August, 1941, his country was not yet at war with the Axis, and his policy of non-belligerency, coupled with various kinds of aid to the Allies, was being strongly opposed by the isolationists. So he had to avoid formulating a freedom of the seas doctrine in terms that would give a conspicuous target for the criticism that he was advocating that kind of freedom of the seas which had been associated in Wilson's Fourteen Points with the idea of the League of Nations. (Wilson's doctrine was that the high seas should only be closed, if closed at all, "by international action for the enforcement of international covenants." In other words, the weapon of blockade should no longer be treated as a lawful instrument of

national policy, but should only be used as a sanction, authorised by a League of Nations.)

But President Roosevelt had the question of freedom of the seas very much on his mind. On May 27, 1941, in the famous message to Congress in which he declared a state of emergency, he had referred with great emphasis to freedom of the seas:

> "All freedom—meaning freedom to live and not freedom to conquer and subjugate other peoples—depends on the freedom of the seas. All of American history, North, Central, and South American history has been inevitably tied up with these words "the freedom of the seas." Since 1799 . . . we have striven and fought in defence of freedom of the seas—for our own shipping, for the commerce of our sister republics, for the right of all nations to use the highways of world trade, and for our own safety. . . . As President of a united, determined people I say solemnly; we reassert the ancient American doctrine of freedom of the seas."

The President said this before signing the Charter; and he reaffirmed it on September 11, 1941, i.e. after the signature. It is impossible to foretell what line a future President and Congress will take about this matter; but it is clear that a question labelled "freedom of the seas" will have to be tackled some day. It is clear, too, that the question really at issue nowadays—the question implied by the Atlantic Charter—is much wider in scope than the old controversy about the relative rights of neutrals and belligerents at sea, and that the action taken to secure "freedom of the seas" will have to be much more effective than anything formerly attempted. "The ancient American doctrine of freedom of the seas" was formulated at a time when it was assumed that any nation was within its rights in fighting a private duel with another nation on the public seaways. In those conditions of international anarchy, the best that neutrals could hope for was that the belligerents might find it advantageous to confine their interference with neutral commerce within limits not quite intolerable, and that the profits of war trading would off-set any losses that the neutral might incur through belligerent interference. Elaborate codes were worked out, embodying compromises between the claims of neutrals and belligerents; but always, under the stress of war, these compromises broke down. A lesson of two world wars is, surely, that it is no good going back to any such attempt to prescribe rules for the gentlemanly conduct of private war. The protection required for commerce is not limited to protection for neutrals against this or that extravagant

pretension of belligerents. Nor is it enough to protect commerce against lawless interference by warships; the protection must extend to aircraft. Nor will it suffice to protect commerce against the lawless use of blockade; there must also be protection against arbitrary use of other forms of commerce-prevention, such as the unjustifiable denial of "access on equal terms to the trade and to the raw materials of the world." Moreover, this protection must be assured more reliably than by any peace-time agreement about the rules of international duelling; there must be laws of peaceful behaviour, backed by force controlled by the organised community of nations. In short, the new freedom of the seas must be part of that "system of general security" against violence and injustice which is indicated in Point VIII of the Charter.

If, then, the United States stands in the future peace settlement for the kind of freedom of the seas and freedom of commerce which the Atlantic Charter implies, "the ancient American doctrine of freedom of the seas" will need to be brought up to date.

(*b*) *British Policy*

For Great Britain also a full acceptance of the implications of this point of the Charter will involve a change of policy. In 1918 the British Government absolutely rejected Wilson's policy, despite strong pressure from the United States. The President was able only to secure, at the outset, an undertaking "to discuss the freedom of the seas and its application"; and in fact there was no such discussion at the Peace Conference.

In 1929, Wilson's policy was endorsed by the Labour Party, in a pamphlet on *Freedom of the Seas* published during the General Election campaign. The Party stated its conclusion thus:

> "The Labour Party stands for the complete renunciation of the right of private war and private blockade. We stand for the full acceptance of the new doctrine of freedom of the seas, i.e. that the high seas should *only* be closed by international action,[1] for the enforcement of international covenants."

It was argued that suppression of the use of blockade as an unauthorised private weapon, besides being desirable in the general interest, would be strictly consonant with the interests of Britain as an island Power (and therefore specially endangered by blockade) and as "the greatest of sea-traders"; and that Britain would not be able to use the weapon effectively against a powerful

[1] The word "agreement" is used in the pamphlet instead of "action," by an inadvertent misquotation of Wilson's Fourteen Points.

continental State such as Germany except when fighting with the active support or at least the benevolent acquiescence of many other States, including the United States.

Has that argument been invalidated by what has happened in the Second World War? Surely not? It is true that, formally, Britain's use of blockade in this war was not an authorised use of power on behalf of the community of nations against aggression; indeed, the whole system of collective security had virtually been liquidated before the war began. But public opinion in the United States and elsewhere was not slow to recognise that Britain's power was truly being used in this case for a cause much wider than Britain's. And it was just because of this general recognition that Britain was soon able to use the weapon with so much vigour and so little challenge by neutral Powers. Indeed, our blockade and our defence against counter-blockade was actually aided by the United States, indirectly and directly, months before the Americans became involved in "the shooting war."

Is not this the lesson for the future? Wilson was right in principle in saying that the high seas should only be closed "by international action for the enforcement of international covenants." And that is a practicable policy, provided that there is "a system of general security," sustained by preponderant power; provided in fact, that the policy is implemented by the sea power which the American and British peoples can, if they wish, contribute to the protection of the community. But the "system of general security" adumbrated in the Charter will not be adequate unless it affords a wider protection than Wilson contemplated— protection against all kinds of *arbitrary* restriction of lawful commerce, whether by blockade or boycott, whether by sea or land or air.[1]

[1] For a fuller examination of Point VII and of the Freedom of the Seas question. See *The New Freedom of the Seas*, by the present writer. (Methuen, 6*s*.)

CHAPTER IX

"A SYSTEM OF GENERAL SECURITY"

Point VIII. "*They believe all of the nations of the world, for realistic as well as spiritual reasons, must come to the abandonment of the use of force. Since no future peace can be maintained if land, sea or air armaments continue to be employed by nations which threaten, or may threaten, aggression outside of their frontiers, they believe, pending the establishment of a wider and permanent system of general security, that the disarmament of such nations is essential. They will likewise aid and encourage all other practicable measures which will lighten for peace-loving peoples the crushing burden of armament.*"

As was emphasised in Chapter II, this last point, with its reference to a "system of general security," ties the whole Charter together. And now its principle has been reaffirmed in the Declaration of Moscow.

It is assumed both in Point VIII of the Charter, and in the Moscow Declaration, that there will have to be two stages in the process of peace-making; the first, a transitional stage, the second a stage when "a system of general security" has been established.

I. The Transitional Stage

The transition from war to peace should, as was emphasised at Moscow, be "rapid and orderly." It must include relief on a great scale, the restarting of urgently needed production, and the first steps towards long-term economic reconstruction. And there will be an unprecedented work of repatriation. We will not here deal further with these, having done so (though inadequately) in Chapter VI.

As for the political tasks of the transition, the Charter and the Moscow Declaration give some indication of policy about two of them—namely, the protection of the peace and the disarmament of the enemy.

Protecting the Peace during the Transition

How is the peace to be protected during the world's convalescence after the war? Some strong hand will be needed to prevent war from smouldering on amidst the ruins. The task cannot be

left to the remnants of the League of Nations, unless (which seems very unlikely) the Soviet Union and United States decide to join the League so that it can be used temporarily until the time comes for a considered recasting of the Covenant. Nor is it likely that a "system of general security," thoroughly planned and discussed, and representative enough to deserve being called "general," can be negotiated during the war or very quickly after the "cease fire." What is more probable is that the United Nations will presently establish some kind of Supreme Council, and that this temporary body will make some arrangement for the authorised protection of the peace by the collective power of the strongest of the Allies.

As was pointed out on p. 19, there is now a good prospect that the "Big Four" Powers whose Foreign Ministers signed Point V of the Moscow Declaration will be willing to accept this responsibility and burden. The undertaking given in that Point is a guarded one, being limited to a promise of "consultation with a view to joint action on behalf of the community of nations"; but no Foreign Minister, speaking for one of the members of a loose association such as the United Nations, could have gone further in the circumstances. That is true especially of Mr. Eden, who signed on behalf of the Government of the United Kingdom. He could not sign on behalf of the British Commonwealth as a whole, for that is an association of States loose enough to allow of the neutrality of Eire in this war—an association which has not created any permanent Imperial Council for unifying or concerting the foreign policies of its diverse and scattered members.

But the Moscow assurance is by no means worthless. Mr. Cordell Hull's judgment in signing it for the United States was vindicated by the fact that, after America's long debate on isolationism *versus* collective security, over 90 per cent. of all the votes in Congress were cast in favour of the collective security policy as outlined at Moscow.

We have already referred on p. 20 to the danger that the Big Four may abuse their immense power or may be too careless about winning the confidence of those other peoples on whose behalf they claim to act. That is not the only danger.

There is the danger that the Big Four may quarrel over the peace terms, or that even, if the Governments do agree, a large section of public opinion may be so dismayed by the terms as to make sustained collaboration by the Governments impossible. If, for instance, the British and Soviet Governments were to come out in favour of annexation by Poland of a large area of Eastern

Germany (extending, according to some suggestions, even as far west as Stettin), much opinion in America and in Britain would regard this as very dangerous for future peace and as a blow to confidence in the Big Four's trusteeship. If the five Powers which hold great colonial empires, especially Britain, were to show themselves, after Japan's defeat, to be still fixed in the old imperialist tradition, unwilling to accept the principle of trusteeship for the benefit of the world as a whole and with the world's consent, unwilling to report to the world community upon their stewardship, then again the bond of confidence which holds together the present partnership of Britain with America, Russia and China would be too severely strained.

In truth, if the Big Four Powers are ever to develop the Moscow promise of consultation into an effective defence system—if they are ever to achieve a pooling of their power for the protection of interests wider than those of their separate nations—they will have to achieve also a substantial community of purpose through a friendly pooling of ideas. That sense of community of purpose would hardly survive if the British, for example, reacted with mere exasperation against that new challenge to the colonial system which will come from America, Russia and China as well as from many of the colonial lands; or if the Americans, holding most of the world's gold, were to show themselves insensitive to the anxiety of the gold-poor countries about a rigid gold standard; or if the Russians were to maintain a Chinese wall of censorship against the healthy exchange of knowledge and ideas with the West. Hitherto the question, "What are these armaments for?" has been answered almost always in terms of pure nationalism. In future, if the Moscow policy is to be realised, this answer will have to be compatible with the interests of the community of nations; and that will involve a much broader advance towards a commonwealth than can be achieved by any mere consultation between the heads of Foreign Offices or war departments.

One other danger must be noted. The collaboration of the Four Powers will be endangered, and the creation of a system of general security may become impossible, if the Four divide their responsibilities into exclusive "spheres of influence." It may not be easy to avoid this. During the occupation of Germany by Allied forces, the Russians will presumably exercise the principal, if not the whole control in the east, whilst the British and Americans will be chiefly concerned with the west and south; and unless great care is taken to maintain a broadly consistent policy, the results may be very embarrassing. Moreover, the Soviet

Government will naturally want to encourage the establishment throughout eastern Europe of régimes friendly to the Soviet Union; but if that Government were to claim that the settlement of disputes between themselves and, say, Poland was a matter reserved exclusively to the two disputants, there would be not only a general anxiety lest the weaker party might suffer injustice in this particular case, but also a wider anxiety about the slowness of the world's progress from power politics towards a real community of nations.

Disarming the Enemy during the Transition

Next, consider the problem of the disarmament of the enemy Powers during the transitional period.

Point VIII of the Charter refers broadly to the need for disarmament of nations "which threaten, or may threaten, aggression outside of their frontiers"; and Point II of the Moscow Declaration says that "those of them [The Four Powers] which are at war with a common enemy will act together in all matters relating to the surrender and disarmament of that enemy."

(*a*) *Which countries?* No doubt the authors of the Charter meant that this disarmament should apply to the Powers which were enemies of Britain at that time, viz. August, 1941; but the word "enemy" could not be used, since the United States were not actually at war, so that the Charter's formula about "nations which threaten aggression" had to be invented. Obviously, it is far from adequate as an indicator of the nations which should be disarmed one-sidedly during the transitional period. For if all nations which "may" threaten aggression are to be thus disarmed, the list will be much longer than the authors of the Charter can have intended. (Think of all the nations which have in fact threatened or committed aggression between the two World Wars. At the moment, we all think at once of Germany, Japan and Italy, whose offence is by far the greatest; we may forget Poland's invasion of three out of the four neighbouring countries, Yugoslavia's invasion of Albania, Greece's beginning of an invasion of Bulgaria; many would class the French invasion of the Ruhr as aggressive; even if the Western Powers choose now to forget the invasions of the Soviet Union which they supported in the early days of the Soviet Revolution, our Russian allies of to-day do not forget; and the only Power which has ever been expelled from the League of Nations on the ground of "aggression" is the Soviet Union.)

But let us assume that Germany and Japan, at any rate, will be subject to one-sided disarmament after their defeat. And let

us assume, too, that Italy is likely to be treated somewhat differently, since her forces have in large part come over to the Allied side. Let us take Germany's case as the crucial one.

Theoretically, three policies are possible.

Firstly, the Allies might prescribe the *total* disarmament of Germany, leaving no armed force whatever, even for purposes of internal order, either during the occupation of Germany by Allied forces or afterwards. They might do this without paying any regard to the kind of régime that will emerge in Germany after Hitler's overthrow. This policy has been categorically rejected by Marshal Stalin, who said (November, 1942) that "it is not our aim to destroy all armed force in Germany, because any intelligent man will understand that this is as impossible in the case of Germany as in the case of Russia. It would be unreasonable on the part of the victors to do so. To destroy Hitler's army is possible and necessary." What Stalin meant, evidently, was that a distinction should be drawn between Hitler's army and the force appropriate for a really democratic régime in Germany. No existing State manages at present to do *without some armed force as a backing for the civil power in* maintaining internal order.

A second policy would be to gamble on the emergence of a genuinely democratic régime in Germany, and to allow to such a régime quite substantial armed forces. This is the policy advocated by the "Free Germany" Committee in Moscow, which consists of German officer prisoners and others. The Committee's manifesto of July, 1943, called for a strong democratic government in Germany which will "immediately cease military operations, recall German troops to the Reich frontiers, and embark on peace negotiations, renouncing all conquests. In this manner it will attain peace and once again place Germany on an equal footing with other nations." The Soviet authorities have given wide publicity to the work of this committee, enabling it to print a journal and to broadcast its manifesto.

It is, of course, of cardinal importance that a strong democratic régime should emerge in Germany. But it seems very unlikely that a policy such as that of the Free Germany Committee will find general acceptance among the United Nations. For no matter what promises and protestations may be made by a new German Government, there can be no quick growth of conviction that a new Germany has cleared the Nazi poison out of her system and has found new strength to withstand such a lure as Hitler's. The German people have had all too little practical experience of democracy, and have shown themselves singularly

inept hitherto in withstanding militarism and reaction. Social democracy in the Weimar Republic never faced up to the need for resolute action to defend itself against the Nazi challenge. Only deeds can now satisfy the world that the bulk of post-war Germany accepts in all sincerity the conditions necessary for equal partnership in the community of free nations. And after what has happened, a considerable time must elapse before it will be possible to fill in the moat of hatred which will isolate Germany; even longer will be needed before Germany's neighbours will lose the profound distrust which generations of German policy have engendered.

A third policy would be to prescribe total abolition of all the major armaments, such as military aviation, but to allow retention of such light armed forces as the Allies may judge to be genuinely required for the protection of internal order. This would be a local application of the principle advocated by the the United States at the Disarmament Conference in May, 1933. The idea then was that general disarmament should be carried "by successive stages down to the basis of a domestic police force."

It seems probable that Allied policy will be based upon some such standard as this—a standard which will involve more drastic disarmament then that imposed at Versailles. It is not likely that Germany will be left with any considerable armed forces during the transition period, no matter how anti-Nazi the new Government may seem. In short, the disarmament of Germany will be drastic and one-sided, and will not at first depend to any considerable extent upon estimates of the sincerity or strength of the régime that replaces Hitler.

The disarmament terms must be *enforceable*; the kind of disarmament prescribed should be such as cannot easily be evaded. If all Germany is occupied this time by Allied forces, it should be possible to make the initial surrender of war-material very thorough, though it will always be comparatively easy to hide some rifles and machine guns.

Moreover, the terms must be *enforced*. Far better that such disarmament clauses should be frankly suppressed than that they should be retained as a nominal obligation whilst the Powers which imposed them wink at their violation. One-sided, dictated terms will always be resented, and their enforcement will only be thorough so long as far-reaching supervision on the spot is practicable, and so long as other countries do not connive secretly at German rearmament or training in their territories.

Industrial Disarmament

The disarming of Germany's industrial "war potential" will involve, for the Allies, a difficult balancing of claims. On the one hand, they will want to cripple Germany's industrial resources for making war; and they will be vividly aware that a nation's capacity to wage war for any long time depends now, far more than ever before, upon the command of vast industrial resources, and that Germany is one of the few areas in the world where industrial development is great enough to sustain total mechanised war. On the other hand, the Allies will be constrained to recognise the need for allowing Germany to recover economically. Of course, they will not want her to recover more quickly than the other countries which she has subjugated and drawn upon for her war effort; but for reasons of "enlightened self-interest" and because of their own repeated declarations of policy, they should be concerned to avoid wrecking the recovery of that part of Germany's production which serves peaceful purposes. Europe simply cannot afford to scrap the real wealth represented by German industry and brains and resources; nor could Europe witness without concern the vast unemployment in Germany that would result if the country were somehow to be de-industrialised. Much of Germany's industrial plant will have been destroyed by Allied bombs; some will be needed as restitution to those countries which the Germans have robbed; but much will be needed in Germany for the production, both of goods required for consumption in a Germany that has lived for a decade on "guns instead of butter" and of goods required for export to other countries by way of reparation.

Allied declarations of policy on this subject have shown a consistent recognition of the need for avoiding "trade war" after the war, and for not driving Germany to economic collapse. That policy, implicit in Points IV and V of the Charter, was emphasised by Mr. Churchill (in the speech quoted on p. 78), and Mr. Eden reaffirmed it on February 23, 1944.

How then can the two aims be reconciled? As regards the plant which can only be used for war purposes, the answer is simple. All that will presumably be destroyed under the supervision of Allied forces on the spot. But there can be no simple answer as regards the plant which can be used, with little or no readjustment, either for war or peace purposes. If the Allies did destroy this, they would not be able to justify either the original destruction or the measures that would be needed to prevent replacement. Nor can the Allies, by any merely physical means (except wholesale massacre) eliminate the possibility that German brains

and skill will again be turned with aggressive intent to the manufacture of killing power. In truth, there is no mechanical solution of that large part of the disarmament problem which involves the will.

Equality of Rights

That brings us to one of the crucial questions which underlie all this discussion. Should the Allies attempt to maintain *for ever* a discriminatory régime of disarmament? We have assumed that the Allies, in the hour of victory, will not concede anything approaching equality of rights to Germany and Japan for the time being. The disarmament of the defeated Powers will be one-sided and very drastic and probably without any specified time-limit. Should the aim be to make this disparity perpetual?

That would be a blind and fatal course. Of all the bitter lessons of the abortive Disarmament Conference, none is clearer than this—that the one-sided disarmament of a resourceful and ambitious people becomes sooner or later a wasting asset. For a time, during the stage of convalescence, the other nations can deny to the German nation that kind of armed "security" which they claim for themselves; but if they suppose that this artificial difference can be *perpetuated* against the will of the German people, or that the German people will *permanently* accept a kind of defencelessness which their neighbours find intolerable, the Allies will deceive themselves most dangerously. The Allies will presumably say to the Germans (as they said at Versailles): "You shall have neither military aircraft nor anti-aircraft guns." If those terms have not been accepted generally, as part of a system of general security against war, within a decade or two from now, they will either have been abrogated or else will be assailed and covertly violated by a resurgent German militarism. Should not we eventually react in a similar direction if we were kept in that position?

In this matter, as in regard to Germany's economic recovery, the Atlantic Charter gives an enlightened lead. Its reference, in Point VIII, to the disarmament of nations which threaten aggression is qualified by the words "pending the establishment of a wider and permanent system of general security." One-sided disarmament was evidently regarded as a necessary step, but only a first step, only a temporary régime. The period of "probation" may be long or fairly short; no forecast on that point has been attempted. The aim implied, both in the Charter and in the Moscow Declaration, is not simply security against the aggressors of to-day, but a security which is truly "general," security against

aggression from whatever quarter, and an international organisation which is not simply an extension of the United Nations alliance against the Axis Powers, but a "community of nations" genuinely open to all States which share its essential purposes.

To sum up: We have assumed that, as regards national armament for Germany, "equality of rights *forthwith*" is out of the question; we have emphasised that "equality of rights *never*" would mean that explosion would become inevitable sooner or later; the conclusion being that one-sided disarmament should be maintained with full efficiency during a period not yet definable, and that full equality of rights should then be conceded, out of strength and not out of weakness, within a "system of general security."

II. "A General International Organisation"

Passing to the second stage of the process of peace-making, let us briefly review the elements of a general international organisation for peace and security.

Federalism?

The whole of this book has pointed to the conclusion that there must be a world organisation, and that the nations must learn to entrust to that organisation powers of world government for certain purposes. A mere contract to co-operate may be all we can achieve to start with, but it will not suffice as an enduring basis of the peace; before long, if not at the outset, there will have to be an actual transfer of power to an authority which is at once representative and authorised to act.

The practical question that the framers of a new Pact of peace will have to answer will not be, "Is some limitation of the rights and powers of sovereign States desirable?" for, of course, that is essential. The question will be: "*How much* limitation is desirable and practicable *at this stage* in history?" What is the minimum without which the commonwealth could not grow? And what is the maximum which is likely to be accepted loyally by a sufficient proportion of the Governments and peoples?

In particular, the pact-makers will have to judge how far to carry the pooling of armed force? How far are nations ready to go at this stage in substituting a supranational "police force" for the national armaments which have hitherto been instruments of self-judged national policies?

In the writer's view, there is no prospect at present that the

peace organisation will, from the outset, take the form of a world-wide Federal Government, controlling the world's sole irresistible force for police purposes, and responsible to a parliament directly elected by the world's peoples.

Looking at the map of Europe, this small continent, one may get the impression that political unification in a federal system must be comparatively simple. But here too, in the writer's view, it would be over-sanguine to assume that full federation is a practicable next step in the right direction—though the situation may be changed if there is a widespread Socialist revolution. Is it likely that, within say ten years after this war, the peoples and Governments of all continental Europe—Poles, Czechs, Greeks, French, Germans, etc.—will be ready to suppress all their national armaments in favour of a European defence force, recruited and directed by a federal defence ministry? Will they be ready to vote directly for election of members of a European parliament—a parliament in which voting strength is related to population and in which the members vote separately, as individuals? Will such a parliament be empowered to legislate for all Europe, within the limited but supremely important field of foreign affairs, defence, currency, tariffs, and main transport services? The arguments for such a development are extremely strong: but the fears and hatreds that will stand in the way are extremely strong too, and the geographical unit, Europe, does not really correspond with a social and economic unity.

Without attempting an adequate discussion of this great question here, let us assume that federations may be achieved in some regions, but that in the main the organisation of peace will have to begin with an association of States, not a union of peoples.

That is the assumption on which the Moscow Declaration was made. It calls for an organisation "based on the principle of sovereign equality of all peace-loving States and open to membership by all such States." The formula is a dangerously loose one. If "sovereignty" is not to be largely restricted, in law and in practice, "the community of nations" will never become real and the Atlantic Charter's policy will remain only a pious incantation. And "equality" is a question-begging word; in this connection it means, presumably, the equality of States "before the law"—that law of peace and justice which the world has still to make adequate to the needs of a peaceful community. But let us take the Moscow policy as a basis, since this has the endorsement of the Governments of the three States which will have the greatest influence in the post-war settlement.

Membership

Firstly, which States are to be members of this "general international organisation"? Should all self-governing States be members *ipso facto*, so as to obtain the maximum of universality? Or should membership be limited to those which, besides being self-governing, are regarded as sincere in their acceptance of certain essential aims and obligations?

The authors of the League Covenant took the second view. They prescribed in Article I that membership should be open to the States named in an initial list, and to other States which, in the League's judgment, could be regarded as sincere in their acceptance of the Covenant's general aims and of certain obligations. A similar view, apparently, was taken by the four signatories of the Moscow Declaration: for they propose to limit membership to "peace-loving" States. The Teheran Declaration likewise contemplates "the active participation of all nations, large and small, whose people in heart and mind are dedicated . . . to the elimination of tyranny and slavery, oppression and intolerance. We will welcome them as they may choose to come into a world family of democratic nations." Thus there would be, so to speak, a minimum subscription for admission to this club. There would be some test for admission, indicated, however vaguely, in such words as "peace-loving" and "democratic."

The contrary view deserves serious consideration. It can be argued that all such tests of admission are unreliable, and may serve as excuses for the exclusion of States on account of political prejudice. It is pointed out that, besides suffering a crippling blow from the defection of the United States, the League was gravely injured by the initial exclusion of Germany and the absence of the Soviet Union. It is claimed that the moral authority of the organisation, as the source of international law, would be impaired if any people, having a government "recognised" by this organisation, were to be denied participation.

But it seems probable that some qualification for admission will be prescribed. The general view is likely to be that the organisation would be weakened, not strengthened, by the participation, or the nominal membership, of governments which persistently show by their policy that they are hostile to the essential purposes of the organisation. But whatever policy is adopted, it will be of the outmost importance that the peoples formerly our enemies should be admitted to active participation as soon as possible. The initial exclusion of Germany from the League contributed much to the belief in Germany that the League was simply an instrument of the victors' policy, and

helped to prevent the growth in Germany of a healthy popular movement in support of the League. Our aim this time should be to encourage the growth of this conception of a wider loyalty, compatible with a rational love of one's own country; and that conception can only grow if it is fed on activity and responsibility.

Regular Conference

If there is to be a permanent *system* of general security, there will have to be some regular system of conference, world-wide in scope and with a permanent secretariat. It will not be enough to provide for *ad hoc* conferences to deal with special problems or particular crises; the approach to world government is a continuing process. And this system must have at its centre an organisation representative of all the member States, drawn from all over the world. Regional organisation will be useful for many tasks of special concern to States within each region; but no series of regional bodies or specialised organisation can replace a comprehensive organisation in dealing with issues which are world-wide in range, such as disarmament.

Laws of Peace

There will have to be some rules of peaceful behaviour, economic and social as well as political. Two of the political rules are indicated in Point VIII of the Charter. There is the obligation not to resort to force as an instrument of national policy. (That is what is meant, presumably, by the reference to "the abandonment of the use of force," coupled with the reference to "general security.") In addition, there should be an obligation to take sides against aggression, refusing all aid to the aggressor; members should renounce the anarchic liberty to say, when one of their partners is wrongfully attacked, "Am I my brother's keeper?" There should also be obligations not to restrict or divert international commerce unless with the concurrence of an international body fully representative of both producers and consumers. And, it is to be hoped, other obligations will include provisions about respect for elementary standards of individual liberties (though it is difficult for the international authority to intervene effectively in this field).

Services of Peace

There will have to be services of peace, much more extensive than the League of Nations and International Labour Organisation were equipped for. In particular, the economic aims of the

Charter cannot be realised unless the international authority has wider powers and a larger organisation than were ever possessed by the League's Economic and Financial Section or by the I.L.O. Some suggestions for an economic organisation and for the application of standards of neighbourly economic behaviour have been made in Chapter VI. We have suggested, too, that by an international financial organisation, related to the general organisation, much could be done to help Governments in rebuilding trade after the war, in preventing trade depression, and in mastering the causes of mass unemployment.

Much too can be done by a development of such services as the League's Health Service, and the World Radio Service. Australia and New Zealand have called, in the Canberra Agreement, for a world air authority, whose functions should include the ownership and operation of the world's trunk air routes; and this policy is advocated by the British Labour Party. The need for a new international organisation to deal with education has been officially recognised. And preparations are being made by the United Nations for the creation of an authority to deal with food and agriculture on a world-wide scale.

In these and many other ways the international authority, linking all these services together, should be able to render to its members services so valuable that they will not be able to afford to forfeit such benefits. Hardly anyone in the world has yet begun to think out, in concrete terms, what the peoples of the world together could do, through such organs of world government, for the general advantage, when once a budget of reasonable size is assured for a term of years.

Pacific Settlement of Disputes

Through the League, and through the Permanent Court of International Justice which the League made possible, a very great advance has been made in the world's provision for the pacific settlement of international disputes. Far too little is known generally of that achievement. The Court remains in being, though its work is suspended during the war. After the war, will the United States (whose countrymen contributed much to the Court's establishment), and will the Soviet Union, accept without reserve this Court's jurisdiction in international disputes concerning rights? If they will do this, then a very big step will have been taken towards providing a rational alternative to war.

Britain accepted the Court's jurisdiction as compulsory by signing the "Optional Clause" in 1931, but her acceptance was

impaired by certain reservations which might with much advantage be withdrawn.

It will not be enough to provide for pacific settlement of disputes on the basis of existing rights: provision must also be made for settling peacefully the disputes which involve claims for change of such rights. It must suffice to say here that the League might have grappled with this most difficult problem if it had been able to surmount the disasters of 1931; but it never did so. The future International Authority will need, not simply a general phrase like Article XIX of the Covenant, but an effective system whereby any Member State which has a serious claim for change of existing rights can be sure of getting that claim submitted to impartial and expert examination and report; and the authority must in the last resort accept responsibility for ensuring that the disputant in whose favour judgment is given shall not be denied satisfaction for an intolerably long time.

That problem—one of the most complex and difficult of all the problems of organising peace—cannot be discussed adequately here: and no simple formula can dispose of it. But this can be said with confidence. Those who want collective defence against aggression to be reliable, and those who want general disarmament to be accepted within a system of general security, will be shirking part of the price if they shirk the task of working out and operating an equitable system of "peaceful change."

General Disarmament

Point VIII of the Charter recognises that besides the compulsory disarming of the enemy Powers, there will have to be measures "which will lighten for peace-loving peoples the crushing burden of armaments." The Moscow Declaration emphasises that the peace must be maintained "with the least diversion of the world's human and economic resources for armaments," and it commits the Four Powers to "confer and co-operate with one another and with other members of the United Nations to bring about a practicable general agreement with respect to the regulation of armaments in the post-war period."

The case for *general* restriction of armaments is not only, or even principally, an economic one; there is a compelling argument on grounds of general security. The armaments race *must* be stopped. President Roosevelt was right in saying in his "Four Freedoms" speech that "freedom from fear, translated into world terms, means a world-wide reduction of armaments to such a point and in such thorough fashion that no nation will be in a position to commit an act of physical aggression against any

neighbour anywhere in the world." Mr. Eden has made a similar point. "No nation must ever be in a position to wage aggressive war against her neighbours.[1] These statements apparently imply such a standard of national disarmament as that proposed by the United States at the Disarmament Conference in May, 1933, viz. that it should be carried "by successive stages down to the basis of a domestic police force."

There has in the past been a fatal weakness in American policy about disarmament. For the attempt has been made again and again to treat disarmament as if it were an isolated problem. It is not isolated. It is idle to expect an enlightened answer to the question "what armaments do we need" unless and until there is an enlightened answer to the underlying question: "What are these armaments for?" And it is idle to expect the anxious countries to reduce their national armaments unless they can be given a really satisfying answer to the question: "If we do disarm and then are wrongfully attacked, will the community of nations be willing and able to bring preponderant power to bear for our protection at the crucial time and place?"

In truth, progress all along the line towards world order is likely to be conditioned very largely by the growth of confidence in the world authority's energy and competence as a guardian of power to protect the peace. No Government will be able to go all the way in committing its people to national disarmament down to the "domestic police force" standard unless there is adequate confidence that the international authority can and will protect the peace with power commensurate to the need. And that growth of confidence is not likely to be very quick: perhaps it will not become strong enough for this purpose until the international authority has demonstrated in some major test case the efficiency and justice of its system of sanctions.

The disarmament regulations ought to be subject to thorough

1 "Speaking recently, I said that our policy towards Germany after the war must have a twofold purpose. On the one hand, Germany must be placed in conditions in which it will be impossible for her again to rearm and to resume the struggle for domination over peace-loving nations. We have had enough of that from Germany. On the other hand, it is equally important that she should not become a source of poison to her neighbours and to the world by economic collapse. To-day I would go a step further. These two fundamental principles must govern not only our relations with Germany after the war but all international relations. This is the plain meaning of the Roosevelt-Churchill Declaration. No nation must ever be in a position to wage aggressive war against her neighbours. Secondly, economic relations must be so regulated that no nation can in future be starved out of its proper economic position by autarchic methods of trade arbitrarily imposed."—Mr. Eden, September 1, 1941.

international supervision. Expenditure on armaments should be limited, as an auxiliary means of limitation, and that carries with it publicity for armament budgets. The manufacture of and trade in armaments by private enterprise should be suppressed. It is very desirable that means should be devised for ensuring control by the international authority of the distribution of certain key raw materials required for war industries. There should be a system of graduated sanctions against any State which persists in violating the disarmament regulations.

Collective Security

Assuming that there must be preponderant power, as well as general assent, behind the laws of peace, how should that power be organised and controlled?

The theoretically perfect solution would be the establishment of a world government fairly representative of every section of the world community, with an Executive fully empowered to create and employ the world's unique, unchallengeable force for "policing" purposes. It is not difficult for the theorist to demonstrate the defects of any less radical plan. He can argue, with cogent evidence, that no mere promise by certain powerful States to contribute contingents of their material forces—*if* they are satisfied that the need for such contributions has arisen —will afford a sufficiently reliable basis for the policing power; that, so long as the paramount power is directly controlled by separate "sovereign" States, instead of by a supra-national authority, "the King's peace" will always be at the mercy of the barons, as it was in England before Henry II applied his sovereign remedy; and that even if "the barons"—the Big Three and some lesser barons—are authorised to serve the King's peace as a regional "defence group," this can only mitigate and cannot remove the inherent weakness. That is true; and we shall be blind to one of the outstanding lessons of the League's breakdown if we do not recognise the need for an actual transfer of power from national to supra-national hands. No mere contract to co-operate will suffice as the permanent basis for the world's protection against lawless violence. If the peoples of the world, by and large, really mean to establish, with all its revolutionary consequences, the new conception that aggression is a crime against the whole community of nations, then they will have to learn to renounce not only the *right* to use war as an instrument of self-judged national policy, but also the *means* by which such war can waged. If the Great Powers intend to submit themselves in all sincerity to the rule of law, they will have to learn to go to Court

without having at their backs a formidable private army which might be used at their discretion to intimidate the Court or to override its judgment.

But the trouble is that this revolutionary change of attitude towards the national right of war is only just beginning. What Point VIII of the Charter refers to as "the abandonment of the use of force" is, as the Charter recognises, not a principle already generally accepted with all its implications, but a principle which "all of the nations of the world, for realistic as well as spiritual reasons, must *come to*." Air transport and wireless are helping to make the world one place; but the world is very large, and these transforming inventions are still very recent. Education is a long-term process; the memory of the wrongs committed during this war will long be powerful in dividing the Germans from other peoples; and the sense of a world-wide community of interest in getting rid of the war system cannot grow strong, either in Fascist countries or elsewhere, so long as patriotism is held to imply unquestioning support of whatever war the nation's Government may undertake. The idea that the nation-State, absolute judge of its own cause, is the proper repository of coercive power is barbaric, but it is still very deeply rooted, in Britain as well as elsewhere. And the politicians who will draft the constitution of the future international organisation will not fail to observe that, whilst Britain and the Dominions are bound together more effectively than any other group of nations, not even they have yet managed to agree upon integral pooling of their defence forces or of the foreign policy which conditions the use of those forces. When those politicians have to estimate what commitments the people of the United States are likely to accept and sustain, they will have to remember that America is comparatively unpractised as yet in political collaboration with nations outside the western hemisphere; that she will still be tethered by the terms and traditions of an eighteenth-century constitution, interpreted by nineteenth-century isolationists; and that in waking to the responsibilities involved in possessing the largest navy on earth, she may not be immune from new temptations of power, any more than Britain has been immune in the past. For all these reasons it appears very unlikely that the framers of the constitution of the future peace organisation will adopt from the outset the radical, "theoretically perfect," solution of the problem of collective security. Even if they regard it as a desirable ideal themselves, they will hold that the peoples and legislatures concerned are not yet ready to accept it or maintain it consistently.

It should be recognised that, in dealing with the question of creating an organically supra-national force, the constitution-makers will have to consider not merely a technical problem of organisation and command, but also the very greatest of political issues. To create and operate a force drawn from many nations is not very difficult, given a powerful and sustained common motive; to make the big stick is fairly easy. But to establish an authorised user of that stick is by no means easy. The political problem of creating an executive which will be not only technically competent but generally trusted as wielder of the world's supreme coercive power will be very difficult indeed.

Assuming, then, that the constitution-makers will not be able to create a supreme Federal force for the world at the outset, what can they do? They will not be free simply to throw their hands in; in this matter, as in others, they will have to work out what is the longest practicable step in the right direction, given resolute democratic leadership. That means compromise: it means choosing that compromise which offers the best chance of proving acceptable, workable, and capable of evolution in the direction of fuller world government. Probably, the compromise will at first take the form of an improvement of the system of sanctions. Certain States, having considerable national armed power, will be authorised to act as a Defence Group, "on behalf of the community of nations," in various regions of the world; these States will be pledged to contribute their full strength to restrain any aggression within that region; and all the States members of the organisation will be bound to withhold aid from an aggressor.

Here are three proposals:

(1) The armaments surrendered by the enemy should, it is suggested, be made over to an international armoury, in the direct charge of the International Authority (or a body acting in its stead for the time being). They should not be divided as spoils between the victors. Many, of course, would not be worth keeping and should be destroyed.

(2) The International Authority should be empowered to hold and arm a series of bases all round the world. This would be a development of the Anglo-American precedent in the Caribbean, and would greatly facilitate the application of effective sanctions.

(3) The International Authority should, if possible, establish an international air force, directly recruited and operated by a representative world air authority responsible to it.

The French Government's plan of 1932 still has value as an indication of the way in which this might be done. Perhaps,

after this war, when people see what desolation has been wrought by rival bombing squadrons and when they estimate what disaster may result from continued national competition in aerial killing-power, the impulse that was lacking in 1932–3 will have become strong enough to carry through so immense an advance.

But at the time of writing only the sanguine can regard this as a probable achievement of the near future.

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There will continue to be tendencies making for tribalism, and tendencies making for an empowered commonwealth. If the former grows strong, then the control of coercive power will remain in purely national hands, and the world will continue to be divided and impoverished by competitive armaments and "beggar-my-neighbour" economics. If the latter gains ground, then the peoples will have new opportunities of developing man's inheritance in peace and freedom, unshadowed by the prospect of a third world war.

Since this was written, the Prime Ministers of the Commonwealth have jointly declared (May 18, 1944): "We affirm that after the war a world organisation to maintain peace and security should be set up and endowed with the necessary power and authority to prevent aggression and violence."

CHAPTER X

SOME PROBLEMS OF TERRITORIAL CHANGE LIKELY TO ARISE IN THE PEACE SETTLEMENT

HERE ARE SOME FACTS and opinions about some of those problems of territorial change which were summarily referred to in the discussion of Point I of the Charter. These comments are placed here, at the end, so as not to interrupt consideration of the principles of the Charter by controversial details of application. The facts are important, if only as an indication of some of the difficulties of applying the Charter's principles strictly. As for the opinions, some of them are based on assumptions not yet realised and may have to be revised owing to military events or political decisions before the war ends; and all of them are based upon a layman's necessarily inadequate knowledge of very complex issues.

ITALY'S CASE

With the defeat of Italy, one question of restitution has already arisen. Ethiopia has been liberated. By the agreement of January 31, 1942, between the United Kingdom and Ethiopia, the Government of the United Kingdom "recognises that Ethiopia is now a free and independent State" and that the Emperor Haile Sellassie is its lawful ruler. Since then, Ethiopia has become a member of the United Nations; and she has remained, through the five years of Italy's never-completed conquest, a member of the League of Nations. As for the future peace conference, Ethiopia will have a strong claim for the recovery of Eritrea, and for assured access to the sea, e.g. the port of Massowah. Territorial revisions in the lands inhabited by the Somali peoples may come up for consideration at the same time.

A liberated Yugoslavia will doubtless have claims to make for territorial changes in the region of Fiume, and these claims may even extend to the line of the river Isonzo.

Another of the questions arising out of Italy's defeat will be the future of Albania. Certainly Italy has no good claim to it. In the words of Count Sforza, "The Fascist invasion of Albania

was a crime against Italy, even before it was a crime against Albania." That country's claim for restored independence has been recognised, though in guarded terms, by the British Government: but the Greeks will no doubt lay claim to that disputed territory which they call Northern Epirus and which Albanians call Southern Albania.

The Greeks have a very strong claim to the Dodecanese islands which have been under Italian rule. They will claim a strengthening of their frontier with Bulgaria, and of course the recovery of territory seized by the Bulgars during this war.

The Greeks may also raise the question of the future of Cyprus, where about 85 per cent. of the population, living under British rule, is Greek. Cession to Greece was accepted in principle by Britain in 1919. The case for it is very strong, and would, on a free vote, certainly be approved by a large majority of the Cypriot population.[1] If such a settlement were made, it should provide guarantees for the fair treatment of the Moslem minority, and might allow for retention of a base, e.g. an air base, by the international authority, or by Great Britain as the authority's agent, for purposes of general security.

As for Tripolitania and Libya, the Italian occupation brought them some material advantages, but also much suffering and tyranny. The British Government have promised the Senussi tribe of Cyrenaica that the tribe "will in no circumstances again fall under Italian domination"; and they have said that they "would view with sympathy any movement among Arabs to promote their economic, cultural or political unity." It may be found appropriate to apply the mandate principle in Tripolitania and Libya for the time being, until their peoples are judged to be ready for full self-government and independence. In any case, the demand for independence, which has already been conceded in the case of Syria, is likely to be pressed before long.

After Germany's Defeat

In Germany's case, there will be many tasks of simple liberation. No frontier problem is likely to arise in the case of Norway, Holland, Denmark, Luxemburg. In Alsace-Lorraine, restoration to France will doubtless be stipulated; a plebiscite here would only confuse the issue, since the Germans have been at pains to alter the pre-war population by pouring in colonists and expelling French inhabitants.

[1] *Vide* White Paper, Cmd. 3477, 1930, which includes a memorial from the Greek members of the Cyprus Legislative Council. This is only one of a series of such appeals for cession to Greece.

The liberation of Austria has been promised at Moscow; but, as was noted in Chapter IV, the conditions necessary for making this liberation real will not be easily established.

As for Czechoslovakia, the immediate task is to expel the enemy from all the lands which were Czechoslovakia's in 1938. That includes the Hungarian enemy as well as the German. The Soviet Government never recognised the territorial changes forced upon Czechoslovakia by the authors of the Munich Agreement, and the British Government have declared (August 5, 1942) that, as regards the future frontiers of Czechoslovakia, they "will not be influenced by any changes effected in and since 1938." Thus the evil deed of Munich is disavowed.

There is, or was, a case for some minor changes of frontier both on the German side and the Hungarian; but the wrongs done to Czechoslovakia may have put these out of court.

Between Germany and Russia

There remains the crucial question of the territorial settlement in the border lands between Teuton and Slav.

When the Soviet Government declared their agreement with the principles of the Atlantic Charter on September 24, 1941, the Ambassador defined Soviet policy thus:

> "The Soviet Government was, and is, guided in its foreign policy by the principle of self-determination of nations. It is guided by the same principle which, in fact, embodies recognition of the sovereignty and the equality of nations in its dealings with various nationalities embraced within the frontiers of the Soviet Union. Indeed, this principle forms one of the pillars on which the political structure of the U.S.S.R. is built. Accordingly, the Soviet Union defends the right of every nation to the independence and territorial integrity of its country, and its right to establish such a social order and to choose such a form of government as it deems opportune and necessary for the better promotion of its economic and cultural prosperity."

But the Soviet spokesman added this guarded warning:

> "Considering that the practical application of these principles will necessarily adapt itself to the circumstances, needs and historic peculiarities of particular countries, the Soviet Government can state that a consistent application of these principles will secure the most energetic support on the part of the Government and peoples of the Soviet Union."

Those "needs and peculiarities" of the Soviet Union's position will doubtless be held to include the retention of certain bastions in the west, under Soviet control. Finnish territory at the very gates of Leningrad and perhaps the island of Hango are examples. Moreover, the Union can claim that, on ethnographic grounds, they have a good case for the recovery of Bessarabia from Roumania, and for the recovery of much territory east of the Curzon Line which was taken from them by the Polish invaders in 1920.

Besides such arguments, there is the desire of the Communist leaders to see régimes friendly to the Soviet Union and to its political outlook in all the bordering States to the West. It would not be surprising if the old Russian desire for assured outlets to the sea were still a factor in the policy of so vast and so nearly land-locked an Empire. And the Union, with new and virtually unchallengeable powers in its hands, will look westwards with eyes strained by unimaginable sufferings.

What then may we expect the Soviet claims to be?

(*a*) In *Finland*, we know substantially what the territorial claims were at the time (March-April, 1944) when the Finns with disastrous unwisdom rejected them. They appear to have been moderate terms in the circumstances. In particular, the demand for that strip of territory near Leningrad which was seized in 1940 had as good a justification as any claim based purely on strategic grounds can have. We should presumably have made a similar claim if we had been faced with a similar danger point a few miles from London; we should have contended, as the Russians do, that here is a case in which broad considerations of security justifiably over-ride the strict application of the first two points of the Charter.

Now that the Finns have rejected the Soviet terms of April, it is impossible to forecast what will happen to Finland. New disasters, certainly; probably further loss of territory. But much would be lost besides the Atlantic Charter if Finland, which made most honourable progress along the democratic road since the days of its emancipation from the Tsarist Empire, were to cease to be a free country. The issue is not one which concerns only the Soviet Union and the Finns.

(*b*) As for Soviet claims in the *Baltic States*—Estonia, Latvia and Lithuania—it should be remembered that these countries were part of the Russian Empire before the First World War; that they were used as a base in the German advance on Leningrad in 1918 and afterwards in one of the attempted counter-revolutionary invasions; that they were independent States,

Members of the League of Nations, between the Wars, but were constrained to come into the Union in 1940; and that in 1941 they again became the base for a German advance on Leningrad.

We know this much about British policy concerning the future of these States. Firstly, there is the Charter's declaration of principle about "no aggrandisement," and about the transfer of territory contrary to the "freely expressed wishes of the peoples concerned." Secondly, there is the re-affirmation of the "no aggrandisement" principle in the Anglo-Soviet Alliance. Thirdly, there is the Prime Minister's statement that the Government do not mean to recognise any territorial changes effected by force since this war began—a policy which was reaffirmed by Mr. Eden on January 26, 1944. Lastly, we have the Prime Minister's statement of February 22, 1944, that the Soviet claims (not publicly formulated) as to their western frontiers seemed to him to be reasonable.

Beyond doubt, we have a duty towards these peoples. We ought to stand by those obligations of right which we recognised in the Atlantic Charter. We ought to maintain the cardinal principle that the settlement in such a case should not be left solely to a mighty Power and a very weak one, but should be treated as a matter of international concern: for our own peace, and the whole world's peace, depends upon the discrediting of the use of force divorced from justice.

But when all that has been said with the necessary candour, there remain the grim facts about Russian suffering at the hands of German invaders along this vital route: there remain, too, the achievements of the Soviet system in promoting the welfare and status of backward Republics of the Union, on a footing of equality (though always within the steely limits and censorship of the Communist régime). It is safe to assume that, after what has happened, Marshal Stalin will not be content with any settlement which does not ensure that the control of the approaches to Leningrad is in hands which he regards as absolutely reliable from the Soviet's point of view, and that no plan which merely provided for "neutralisation" would allay these anxieties. Thus, the demand for incorporation of these States in the Union will presumably be strongly pressed. Probably it has already been endorsed by Mr. Churchill at Teheran.

Nevertheless, if such a plan is carried out, without a really free and secret vote of the peoples concerned, many of us will feel deeply troubled. We may be assured that incorporation in the Union is desired, and that the Union, with its educational programme and its strong arm, can and will do much for those

peoples' advancement. But shall we hear "freely expressed," the voice of those who valued their freedom, as citizens of "independent" States, to choose a form of government that was not stamped in the Communist mould? In truth, if the settlement is to command general assent, it must satisfy on the one hand the Russian demand for regional security—a demand which is quite as justifiable as Sir Austen Chamberlain's demands for special guarantees for British interests in the Suez Canal zone—and on the other hand the right of the Baltic peoples to choose their territorial allegiance and form of government. Such a solution might be provided if the Soviet Government were to be content with the establishment of Soviet bases in this area, such as Britain has leased to the United States in the Caribbean, whilst leaving the Baltic States genuinely free to choose whether to come in to the Union.

(*c*) As for *Bessarabia*, the Soviet Government will of course insist upon re-incorporation of the Moldavian Republic. Their claims to this territory have long been upheld on grounds of population as well as on account of the defence of the Ukraine; and these claims were formally conceded by Roumania in 1940. The Northern Bukovina province will also be claimed, mainly on strategic grounds.

(*d*) The most extensive of Soviet claims is in *Eastern Poland*, and here the Russians have a case on grounds of population as well as strategy.

This territory, once under Polish rule, was in Russian hands for long before Poland's liberation in 1918. In 1919, the Supreme Council of the Allies proposed a provisional boundary between Poland and the Soviet Union, which they judged to be minimum of Poland's legitimate extension eastwards;[1] and in July, 1920, Lord Curzon recommended this as an armistice line between the Polish and Soviet armies. Unfortunately, this was not accepted, and the Poles drove on, far into territory where (according to the Polish census of 1921) the Polish-speaking part of the population was in a minority. Thus Poland obtained, between the wars, a frontier too far to the east. The danger of this excessive expansion was emphasised at the time by General Smuts.

In 1939, the Soviet Government agreed with Hitler on the partitioning of Poland; and after Hitler's invasion of Poland, Soviet forces occupied Eastern Poland up to a line substantially

[1] The Curzon Line runs from a point half-way down the eastern border of East Prussia to a point west of Grodno, thence to the river Bug, north-west of Brest-Litovsk, thence southwards down to Sokal, and thence south-west to a point just west of Uszok in Slovakia.

in accord with the Curzon line (except in the Bialystok area, where they took in some 10,000 square miles more territory, whose population was mainly Polish-speaking).

Then, on June 22, 1941, came Hitler's attack on the Union, whereupon the Soviet Government promptly made an agreement with Poland (July 3, 1941), declaring the Soviet-German Treaty of 1939 about partition to have "lost its validity." So the question of the Soviet-Polish frontier was in the melting-pot again.

Later, after the unhappy Katyn incident, the Soviet Government broke off relations with the Polish Government in London, and has since aimed at isolating and discrediting it. When the Soviet armies began to cross the 1939 frontier of Poland, Marshal Stalin proposed a settlement based substantially on the Curzon Line, and offered to consider retention by Poland of the university city of Lvov (which was not covered by the Curzon Line decision). This offer, which was widely regarded in this country as a moderate one, was rejected by the Poles. It appears safe to assume that Marshal Stalin will not let go of the territory east of the Curzon Line, and that the British Government will regard this part of the settlement as substantially justified on its merits. It is to be hoped that the bitterness of this loss to the Poles will not be intensified by Soviet insistence on retention of Lvov, which is predominantly Polish, though its countryside is not. But the loss of Vilna, which the Poles seized by aggression in 1920, will no doubt have to be accepted.

A settlement on these lines would represent rough justice, achieved at a heavy cost in life and happiness.

(*e*) There remains the most thorny question of all—"*compensation for Poland.*" Marshal Stalin, like Mr. Churchill, has declared his desire to see a strong and independent Poland. Would our much-wronged ally, Poland, be more strong and independent if she annexed lands which are overwhelmingly German in population?

On February 22, 1944, Mr. Churchill said: "Marshal Stalin and I spoke" (at Teheran) "and agreed upon the need for Poland to obtain compensation at Germany's expense in the north and west." The territory in the north must be in East Prussia: that in the west may include Silesia, Posen, even Pomerania.[1]

[1] The *Manchester Guardian's* special correspondent reported (February 15, 1944) that the Russians were believed to be no longer prepared to consider the inclusion of Lvov within the new Poland. "By way of compensation Poland would receive the western and southern parts of East Prussia, Russia taking Königsberg and the northern districts. It is rumoured that the Poles could have more westerly territory for the asking. Danzig is mentioned in this connection and so is the Oder line, with Stettin at the river's mouth." Is that rumour well-founded or did Goebbels originate it?

If such a policy were carried out, it would represent a major departure from the principles of the Atlantic Charter—those principles on which the United Nations declared that they "base their hopes for a better future for the world." The annexations could not be represented as being in accord with "the freely-expressed wishes of the peoples concerned"; for the predominantly German character of these lands is beyond dispute: they would be simply "compensation," such as was characteristic of eighteenth-century Empire-carvers.

As was shown in Chapter III, it cannot reasonably be contended that the Charter was not meant to apply to enemy countries: of course it applied to them.

The compensation policy would be a major contravention of two of the main policies for which we enlisted the support of the United Nations alliance in days when victory seemed much more remote than it does now. Is it nevertheless justified on balance? Is it likely to prove the lesser of two evils?

In the writer's view, it is wrong and dangerous—dangerous for our future peace and for the future of Poles as well as Germans. The Poles have suffered indescribable wrongs at German hands: but that will not make them better governors of a German population. The Poles have been ruthlessly expelled by the Germans from Western Poland, and millions have been done to death: great numbers have been expelled, too, from Eastern Poland by the Russians. But that will not of itself justify driving Germans out of Eastern Germany, or make the consequences of such eviction any safer for Poland in future. Much, if not all, the territory which the Poles will lose will be territory which they acquired by force, contrary to the advice of the Western Allies, and contrary to the rights of the Soviet Union; if now Britain and America were to encourage Poland to "compensate" herself by seizing territory in the west contrary to the rights of Germany, they would be damaging, not strengthening, the foundations of any "system of general security" against violence and injustice. It may be argued that with East Prussia in German hands, Poland's strategic position is very weak, and that Poland could be made more secure by acquiring part (or all) of East Prussia, and evicting the Germans from it. That argument leaves out of account the great increase of German animosity against Poland that would certainly result. But, in any case, if East Prussia is made over to Poland, as a violent attempt to meet Polish claims, it would surely be most unwise to pile on top of this the seizure of German territory west of the Corridor.

The Declaration of Cairo, quoted on p. 13, has already summarised the policy of China, the United States and Britain about the future of the territories which Japan "has taken by violence and greed" ever since 1895. All the territories "stolen from the Chinese, such as Manchuria, Formosa and the Pescadores shall be restored to the Republic of China," and Japan is to be expelled from the rest.

That programme stretches the principle of restitution to its limit, if not beyond the limit; and its full execution will aggravate some of the economic problems which will have to be tackled sooner or later. But a strong case can be made out for each item of the programme.

In Manchuria, China's claim for restitution has been consistently maintained, and neither the League's Members nor the United States have ever recognised as lawful ruler of Manchuria the puppet who was installed there by the Japanese invaders.

Korea, formerly under Chinese suzerainty, has had bitter experience of Japanese rule since 1895; China has lately given public support to the Koreans' claim of independence; and now that claim is endorsed, justifiably, by Britain and America. But it will not be easy to build up a self-governing Korea, and it will be impossible to give the Koreans security, and the substance of that "independence" for which they crave, unless an effective provision for collective defence against aggression can be built up in Eastern Asia.

As for Hong Kong, of course the Japanese must be driven out. Who then can hold this great port, inseparably bound as it is to the Chinese mainland? Perhaps this is a case for an international administration, at least for the time being. In any case, it seems clear that the future of Hong Kong should not and will not be decided in opposition to the wishes of the new China.

The case for expulsion of Japan from the Caroline, Marshall and Ladrone Islands is very clear. One reason is that Japan has flagrantly violated the terms of the mandate over these islands which was granted to her after the First World War. But who will hold these islands, which, as this war has shown, are of immense strategic importance? Would the United States accept and maintain a commitment so remote from home? Probably in this case they would. One thing is certain. The future international authority should not simply repeat an injunction that the islands are not to be fortified without being in a position to ensure that the prohibition is respected. (That was the position in which the League of Nations found itself after the mandate

over these islands had been given to Japan by the Allied and Associated nations; for the United States withdrew from membership of the League, and the Soviet Union was a late-comer.) If it is found practicable to establish international bases in the islands, e.g. at Kruk, under the control of a future international authority, here is one of the areas where such bases might be most useful as bastions of a system of general security—a system which would contain no menace for a peaceful Japan.

There remain many other lands from which the Japanese must be expelled—Indo-China, the Philippines, Burma, Malaya, the Dutch Indies, New Guinea, etc. And Thailand can be reckoned as one of these occupied lands.

In the Philippines, resistance to the Japanese has never ceased, and as soon as the islands are liberated they will have their independence, as promised by the United States. But here again, "independence" will have no substance unless a system of security which is locally effective can be built up. And that is only possible if the United States will contribute fully to its working.

In Burma and Malaya, there can be no return to the position that existed before the Japanese invaders won their victory and declared Burma to be independent. Some kind of dominion status for Burma may still prove to be an acceptable solution, with the help of a regional council for strategic questions including defence. Certainly, nothing less will do. The "new deal" for S.E. Asia will have to bring radical changes, not merely a refurnishing of the old system.

The prime task of the United Nations will be to undo the conquests won by half a century of Japanese aggressions, and to help Japan's victims to their feet. But there is also a further task which it would be most dangerous to neglect. When the Japanese invaders have been driven back into the comparatively small and infertile islands from which they came, there will still remain the long-term problem, and the urgent short-term problem, created by Japan's huge annual increase of population. In their own self-interest, the nations will have to open their doors to a large export trade by the Japanese; they will have to make a place for Japanese industry in the world's economy. For they will only achieve "a system of general security" if it affords a fair measure of "freedom from want" as well as a barricade against aggression. We cannot yet gauge what will be the psychological effect of humiliation, "loss of face," upon the proudest people on earth; but we must recognise how pressing is the need for food—much more food—for nearly all the peoples of Eastern and Southern Asia, and how potent and transforming is the force of

wakened Asiatic nationalism. There will be no enduring security for the South Pacific and South-Western Pacific, including under-populated New Zealand and Australia, unless there is livelihood and a fair deal for the peoples of the North Pacific, including the Japanese.

CONCLUSION

THIS BOOK WAS BEGUN in the belief that the Atlantic Charter was being too little considered in this country as a summary programme for the peace, and too little used abroad as a means to victory.

A declaration of principles such as this Charter ought to have behind it, in a democratic country, the full accord of the people in whose name it is made. Every care ought to be taken to enable the people to understand the broad implications of the policy. Only so can a Charter be strong as a guard against opportunism in the hour of our victory, or strong as a dividing force among the enemy peoples in the hour when their resistance begins to crack.

So I asked myself: What steps have in fact been taken, here in England, to enlist the accord—the informed accord—of the people of England?

I recalled excellent posters put up in London Tube stations by the London Passenger Transport Board. I remembered several leaflets and pamphlets by unofficial bodies such as the League of Nations Union and National Peace Council. I knew that at least one Government department had, most appropriately, facilitated discussion of the subject in private. But I could recall no debate about it on the wireless, no notable programme to commemorate its publication or its acceptance by the United Nations. I found that the Ministry of Information would not print it as a leaflet for home distribution or allow it to be included among the subjects for meetings under their auspices. Not one of the political parties has published a study of it. Even the Labour Party, whose leader described it as "in its own way as important in its declaration of principles as Magna Carta or the American Declaration of Independence,"[1] merely printed the text as an

[1] "I have heard some cheap, would-be clever people sneer at the Atlantic Charter as being too generalised. That usually means that some pet nostrum of their own or some favourite phrase has not been included. But in fact that Charter in its own way is as important in its declaration of principles as Magna Carta or the American Declaration of Independence. For the first time in history, with the accord of their peoples, Governments of countries comprising a majority of the inhabitants of this planet have proclaimed as their ideal great social principles. Ever since that declaration speakers on both sides of the Atlantic have in their own way been filling out the terms of the Charter, and it is interesting to see how in Britain and in the United States the same note is struck."—THE RT. HON. C. R. ATTLEE, *Deputy Prime Minister*, Aberdeen, September 6, 1942.

appendix to *The Old World and the New Society* (1942), without following this up by publishing any leaflet or pamphlet about it. Above all, I was impressed by the fact that this declaration of principles, proclaimed—Mr. Attlee said—by the Governments "with the accord of their peoples," has never yet been thoroughly debated in the Mother of Parliaments.

Surely so extensive a silence on a subject so important is not healthy for a democracy at any time, least of all at a time when the will of the people has to be braced for making great new efforts and for facing profound changes.

This war is not simply a military campaign against a Rommel or a Manstein, not simply an engineer's competition to outdo the Mark IV Tank or the Spitfire: it has become a war not merely against German or Japanese armed forces, but against what the Charter calls "Nazi tyranny," against the whole tribalist system of which Nazism and Fascism are extreme expressions. There is a war of ideas behind this war of men and weapons; and we can only fight that war of ideas with success if we have laid hold, with passion, upon constructive ideas that have more persuasive power than the conceptions of Hitler's "New Order" or Japan's "Co-prosperity Sphere." It is not enough for Governments to say that the United Nations mean to build a commonwealth of nations within which all "peace-loving" peoples can find a surer peace, a more even-handed justice, an ampler prosperity and a far greater liberty than a Hitler or a Franco can offer: we, the peoples must make this affirmation our own, having understood broadly what it will involve and being resolved that it shall be carried into effect.

Whilst the book was being written, new declarations were added. I sought to show that they were consistent with the ideas of the original Charter.

Then, whilst this book was being finished, came the Prime Minister's speech of February 22, 1944, with its reference to Soviet claims and to "compensation" for Poland. Sharing the widespread anxiety about the Government's interpretation—or reinterpretations—of the Charter, I have rewritten some pages of the book.

In this connection, I have tried to indicate the various dangers on either hand through which our Government has to steer its difficult course. I have assumed that, if the Government is to achieve its cardinal aim—"a durable peace"—the peace terms must be not merely such as allied armies could forcibly impose in the hour of victory but such as will have a fair chance, under proper safeguards for enforcement, of becoming generally

accepted within a few decades. Remembering Britain's specific pledge to Poland when menaced, and her declaration of war when Hitler invaded Poland, and remembering how fearful a disaster has nevertheless befallen Poland, I have assumed that the British Government is deeply concerned to secure justice and freedom for the Poles, eastwards as well as westwards. I have assumed too that our Russian allies, who have suffered so atrociously, who have again seen Poland and the Baltic States used as corridors for invasion of their homeland, and have felt anew the impulse of nationalism and proved the might of their arms, will have sweeping territorial claims to make, and will possess almost unchallengeable power with which those claims can be backed. If then I have expressed deep anxiety about this new development, with some critical questioning, I must recognise that the Government's problems in adjusting these conflicting claims must be one of extraordinary difficulty, and that many of the facts necessary for a completely balanced judgment are not yet available to any layman like myself. Yet I must express that anxiety. I do consider that some very healthy elements of this chartered peace are apparently in danger. And that is a matter which concerns us now, in the unofficial democratic debate for which this book has been written.

May the book be of use in the non-partisan effort to clear the way for a peace consistent with the purpose of these Charters—a peace which, besides providing so far as possible for redress of the unforgettable wrongs committed by the enemy, lays sound foundations for the growth of a commonwealth protected against war and equipped for sharing the earth's potential plenty.

And may the Charters, understood and endorsed by the peoples in whose name they stand, be used—used with new sincerity and imagination—to advance the day when the enemy lays down his arms.

THE ATLANTIC CHARTER

THE PRESIDENT OF THE United States and the Prime Minister, Mr. Churchill, representing His Majesty's Government in the United Kingdom, being met together, deem it right to make known certain common principles in the national policies of their respective countries on which they base their hopes for a better future for the world.

1. Their countries seek no aggrandisement, territorial or other.

2. They desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned.

3. They respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them.

4. They will endeavour, with due respect for their existing obligations, to further the enjoyment by all States, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity.

5. They desire to bring about the fullest collaboration between all nations in the economic field, with the object of securing for all improved labour standards, economic advancement and social security.

6. After the final destruction of Nazi tyranny, they hope to see established a peace which will afford to all nations the means of dwelling in safety within their own boundaries, and which will afford assurance that all the men in all the lands may live out their lives in freedom from fear and want.

7. Such a peace should enable all men to traverse the high seas and oceans without hindrance.

8. They believe all of the nations of the world, for realistic as well as spiritual reasons, must come to the abandonment of the use of force. Since no future peace can be maintained if land, sea or air armaments continue to be employed by nations which threaten, or may threaten, aggression outside of their frontiers, they believe, pending the establishment of a wider and permanent system of general security, that the disarmament of such nations is essential. They will likewise aid and encourage all other practicable measures which will lighten for peace-loving peoples the crushing burden of armaments.

THE FOUR POWER DECLARATION OF MOSCOW ON GENERAL SECURITY

THE GOVERNMENTS OF THE United States, the United Kingdom, the U.S.S.R., and China; united in their determination, in accordance with the declaration of the United Nations of January 1, 1942, and subsequent declarations, to continue hostilities against those Axis Powers with which they respectively are at war until such Powers have laid down their arms on the basis of unconditional surrender; conscious of their responsibility to secure the liberation of themselves and the people allied to them from the menace of aggression: recognising the necessity of ensuring rapid and orderly transit from war to peace and establishing and maintaining international peace and security with the least diversion of the world's human and economic resources for armaments; jointly declare:

1. That their united action, pledged for the prosecution of the war against their respective enemies, will be continued for the organisation and maintenance of peace and security;

2. That those of them at war with a common enemy will act together in all matters relating to the surrender and disarmament of that enemy;

3. That they will take all measures deemed by them to be necessary to provide against any violation of the terms imposed on the enemy;

4. That they recognise the necessity of establishing at the earliest practicable date a general international organisation, based on the principles of the sovereign equality of all peace-loving States and open to membership by all such States, large or small, for the maintenance of international peace and security;

5. That for the purpose of maintaining international peace and security pending the re-establishment of law and order and the inauguration of a system of general security they will consult with each other, and, as occasion requires, with other members of the United Nations, with a view to joint action on behalf of the community of nations;

6. That after the termination of hostilities they will not employ their military forces within the territories of other States except for the purposes envisaged in this declaration and after joint consultation; and

7. That they will confer and co-operate with one another and with other members of the United Nations to bring about a practicable general agreement with respect to the regulation of armaments in the post-war period.

November 1, 1943.

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